



Daily Report

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Daily Report China

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General

Antarctic Expedition Team Departs for Home *OW290220 Beijing XINHUA in English 1201 GMT* 26 Nov 87

[Text] Santiago, November 25 (XINHUA)—The third China's Antarctic expedition team, after completing its one-year-long winter-season in the southernmost continent, left here for home this evening.

Team leader Qian Songsong and another team member remain to greet the arrival of the fourth team at the Greatwall Station designed as a base for China's expedition in the Antarctica.

The 15-member team arrived there last December aboard China's scientific expedition ship.

UNCTAD-Sponsored Trade Meeting Opens *OW010558 Beijing XINHUA in English 1649 GMT* 30 Nov 87

[Text] Beijing, November 30 (XINHUA)—Senior trade officials and managers from the Asian and Pacific region gathered here today to discuss expanding reciprocal trade agreements.

At a week-long workshop, they will discuss the functions, experiences and problems of trade reciprocity and hear talks by experts from the United Nations Conference on Trade and Development (UNCTAD).

The workshop is co-sponsored by UNCTAD and the Chinese Ministry of Foreign Economic Relations and Trade.

The participants are from 16 countries and regions including India, the Philippines, Afghanistan, Bangladesh, Burma, the Democratic People's Republic of Korea, Fiji, Malaysia, Singapore, Thailand, Vietnam, Nepal and China.

United States & Canada

Nanjing PLA Leader Meets U.S. Delegation *OW301341 Nanjing Jiangsu Provincial Service* *in Mandarin 2300 GMT 29 Nov 87*

[Excerpts] Guo Tao, deputy commander of the Nanjing Military Region, met with U.S. Air Force Lieutenant General Hosmer and his entourage at the Jinling Restaurant last evening. Lt Gen Hosmer is president of the U.S. National Defense University. The host and his guests had cordial and friendly conversations. [passage omitted]

Present at the meeting were Liu Lunxian, chief of staff of the Nanjing Military Region; and Zou Erjun and Qiao Guangyu, leading members of the PLA National Defense University and the Nanjing Military Region; as well as

Colonel (Wen Hou), U.S. Army military attache of the U.S. Embassy in China. After the meeting, Deputy Commander Guo Tao gave a dinner in honor of the American visitors.

Tian Jiyun Meets U.S. Business Executive *OW010135 Beijing XINHUA in English 1517 GMT* 30 Nov 87

[Text] Beijing, November 30 (XINHUA)—China's Vice Premier Tian Jiyun met here today with Ralph S. Larsen, vice chairman of the Executive Committee of Johnson and Johnson of the United States, and his party.

Attending the meeting were Qi Moujia, director of the State Pharmaceutical Administration of China, and William H. Yu, director of the China office of Johnson and Johnson.

U.S. Government Begins Pre-Summit Briefings *OW010329 Beijing XINHUA in English 0928 GMT* 30 Nov 87

["Battle of Briefings" Expected Before and During U.S.-Soviet Summit"—XINHUA headline]

[Text] Washington, November 29 (XINHUA)—The United States appears to be launching a battle of pre-summit briefings to impress American public as well as the international community about the Reagan administration's positions on major issues in U.S.-Soviet relations.

The public relations campaign began last Friday when new presidential National Security Adviser Colin Powell briefed reporters on the contents in general and the verification procedures, in particular, of the intermediate-range missile treaty to be signed at the forthcoming summit.

This was followed by President Ronald Reagan's weekly radio address on Saturday and Secretary of State George Shultz's TV appearance today. Both of them stressed the verification of the INF treaty as well as U.S. determination to proceed with the SDI program.

It was reported that this Monday, a week before Soviet leader Mikhail Gorbachev's planned arrival in Washington, at least seven major summit-related events are on the U.S. public relations schedule.

These include a luncheon speech to be given by Reagan, a special cabinet meeting, separate interviews with Shultz by U.S. journalists from outside Washington and by the British Broadcasting Corporation, a White House briefing by two senior officials on human rights and bilateral issues and a State Department briefing by three senior officials on arms control and regional issues to be taken up at the summit.

After that, 8 to 10 events related to the summit are planned for each succeeding day until the start of the Reagan-Gorbachev meetings on December 8, according to a "Washington Post" report.

During the 3-day meetings, there will also be extensive briefings, including those by White House spokesman Marlin Fitzwater, expected to be at least twice a day.

In the meantime, a lengthy summit press kit of written materials, which is nearly as long as a substantial book, is being prepared by U.S. officials and is expected to be distributed to the press shortly before the summit starts.

On the Soviet side, a team of more than a dozen well-known figures many of them fluent in English, is to arrive in Washington on Tuesday.

According to the Soviet Embassy, the team members include Georgiy Arbatov, director of the Institute of USA and Canada; Col. Gen. Nikolay Chervov, chief of the Arms Control Section of the General Staff of the Soviet Armed Forces; Yevgeniy Primakov, director of the Institute of World Economic and International Relations and an expert on regional affairs; Roald Sagdeyev, director of the Institute of Space Research; Yevgeniy Velikhov, vice chairman of the Soviet Academy of Sciences, as well as a number of leading figures of the Soviet mass media.

While no schedule of Soviet briefings was made public so far, a Soviet Embassy spokesman told reporters that those people will be readily available to the U.S. and international media gathering here for the summit.

Therefore, a "battle of briefing" is expected before and during the summit between the two superpowers.

The U.S. Information Center said that, starting Thursday or Friday, a summit press center at the U.S. Commerce Department will open to the thousands of journalists who are expected to cover the events.

The agency has estimated that 3,000 to 5,000 foreign journalists will join a roughly equal number of American journalists in covering the summit.

A more elaborate summit press briefing center at the Marriott Hotel, two blocks from the White House, is to open on December 7, the day of Gorbachev's arrival.

Both the White House and the Soviet Foreign Ministry will have offices in the hotel and virtually all official briefings of both sides will be conducted there.

Soviet Union

Soviet Media Express Concern for INF Accord
OW010401 Beijing XINHUA in English 0921 GMT
30 Nov 87

[Text] Moscow, November 30 (XINHUA)—The Soviet media are voicing concerns over the fate of the accord to be signed the next month in Washington for elimination of Intermediate Range Nuclear Forces (INF) while praising it in a moderate way.

Soviet Foreign Minister Eduard Shevardnadze and U.S. Secretary of State George Shultz completed the INF accord in Geneva, on October 24, after 2 days of intensive talks.

The Soviet official newspaper "Izvestiya" said the completion of the INF accord raised people's hope and expectations for a safer world.

However, the Soviet Communist Party daily "Pravda" worried about a possible delay in the U.S. Senate's ratification of the accord, saying that a number of U.S. Senators have voiced such intention though the accord is still to be signed by Soviet leader Mikhail Gorbachev and U.S. President Ronald Reagan at their third summit on December 7.

"Izvestiya" said that some U.S. Senators may introduce some amendments, so as to change it beyond recognition.

The newspaper "Sovetskaya Rossiya" even worried about a possible renegotiation process between the two nations over the INF accord.

The United States' hard pursuit of the strategic defense system is another major concern for the Soviet media.

The newspaper "Trud" stressed in a commentary that, under the conditions of preserving the Soviet-U.S. Anti-ballistic Missile (ABM) Treaty of 1972 and demilitarization of outer space, a 50 percent cut in strategic nuclear arsenals is a key factor in the Soviet plan to eliminate nuclear weapons on the earth by the year 2000.

"Trud" said that the ABM treaty and the U.S. "Star War" program are incompatible.

The Soviet military newspaper "Krasnaya Zvezda" (Red Star) criticized some U.S. Senators and generals for listing the SDI program as an unnegotiable precondition for signing the INF accord.

The third concern of the Soviet media is the so-called "anti-Soviet campaign in the United States".

Great concern has been expressed in recent Soviet newspapers' headlines such as "The Attack From the Rightest Side", "The U.S. Ultra-Rightists Mass Their Contingent", "The Aggressiveness of the U.S. Rightist Forces Before the Washington Summit", and so on.

U.S. President Reagan, former Defense Secretary Caspar Weinberger, and other renowned figures are criticized by the media here for their anti-Soviet speeches. The "Red Star" said clearly that the Soviet Union will do all necessary to keep its military forces at such level that "the imperialists cannot gain superiority over the socialist countries."

Northeast Asia

PRC May Ignore DPRK Olympic Boycott Call
HK011115 Hong Kong AFP in English 1045 GMT
1 Dec 87

[Text] Beijing, Dec 1 (AFP)—China has told North Korea that it will attend the 1988 Seoul Olympics even if Pyongyang tries to organise a boycott of the games, reliable East European sources said here Tuesday.

They said that most of the countries of the socialist bloc also planned to compete in the Seoul games.

Chinese Communist Party Secretary General Zhao Ziyang told visiting North Korean Premier Yi Kun-mo in mid-November that politics should be kept out of international sports events and that therefore China would go to Seoul, the sources added.

North Korea got a similar message a few days later from visiting Polish Foreign Minister Marian Orzechowski, they said.

Mr Orzechowski told his North Korean counterpart Kim Yong-nam that boycotting the Olympics had never achieved positive results for the international sports movement, and cited the 1980 Moscow and 1984 Los Angeles games which were hit by politically inspired boycotts.

Most socialist countries have already decided to go to Seoul even if their North Korean ally urges them to boycott the games, the sources said, adding that they would probably wait right up to the January 17 deadline before accepting their invitations.

North Korea has threatened to call on its socialist allies to boycott the games in Seoul if no agreement is reached to allow Pyongyang to host more of the events.

North Korea has turned down a proposal by the International Olympic Committee (IOC) that some events, including volley ball, cycling, archery and table tennis be held in Pyongyang. South Korea has said it will not offer any more events to its northern rival.

Some of the countries which might respond to North Korea's call would include Cuba, Nicaragua, Ethiopia, Madagascar and Albania, the sources said.

Western diplomats here believe North Korea would get little response if it called for a boycott of the Seoul games.

China was practically certain to take part, they said, and probably the Soviet Union and its satellites would as well, despite the absence of diplomatic relations with South Korea and the strategic ties they have with North Korea.

China has not yet officially announced its decision to go to Seoul but the sixth national games underway since November 20 in the southern city of Guangzhou have been seen as the country's Olympic trials. China sent one of the largest teams to the 1986 Seoul Asian games.

China is to organize the Asian games in 1990 and hopes to host the Olympic games in the year 2000. It participated for the first time in 30 years in the 1984 games in Los Angeles and won 15 gold medals, coming fourth after the United States, Romania and West Germany.

Japanese Premier Speaks on PRC, U.S. Ties
OW010035 Beijing XINHUA in English 1534 GMT
30 Nov 87

[Excerpt] Tokyo, November 30 (XINHUA)—Japanese Prime Minister Noboru Takeshita said today his Government will strive to expand domestic demand, increase imports and settle bilateral issues with the U.S.

Takeshita's remarks came in his initial appearance as prime minister on the first of a 3-day Diet (parliament) interpellation.

He told a Lower House plenary session this afternoon that he will ask U.S. President Ronald Reagan to redress the U.S. deficit finances and work to reinforce the U.S. economy's international competitiveness.

Takeshita, 63, who succeeded Yasuhiro Nakasone as prime minister on November 6, is scheduled to visit Washington and Ottawa in mid-January.

Japan-U.S. cooperation is essential in settling the world economy's current problems, he said. The new prime minister added that from the standpoint of stability of the global economy he hopes to have a "frank exchange of views" with Reagan.

Regarding the question of ownership of the Kokaryo student dormitory, Takeshita said the issue must be handled by the nation's court system.

The five-story Kokaryo dormitory in the western Japanese city of Kyoto was bought with money from China after World War II and was used by Chinese students.

However, in February 1987 an Osaka high court turned the dormitory over to Taiwan. China is appealing the decision before Japan's Supreme Court.

Despite the dormitory controversy, Takeshita noted that Japan and China will observe in 1988 the 10th anniversary of the signing of a peace and friendship treaty. He said he hopes to visit Beijing at a time convenient to both countries. [passage omitted]

Japanese Trade Society President Visits

Meets With Bo Yibo

OW010147 Beijing XINHUA in English 1516 GMT
30 Nov 87

[Text] Beijing, November 30 (XINHUA)—Bo Yibo, honorary president of the China Council for the Promotion of International Trade, met here today a delegation from the Japanese Society for the Promotion of Foreign Trade, led by President Yoshio Sakurachi.

After the meeting, Bo attended a banquet hosted by Jia Shi, president of the China Council for the Promotion of International Trade, for the visitors.

Talks With Wu Xueqian

OW010856 Beijing XINHUA in English 0840 GMT
1 Dec 87

[Text] Beijing, December 1 (XINHUA)—Chinese State Councillor and Foreign Minister Wu Xueqian met with Yoshio Sakurachi, president of the Japanese Society for the Promotion of Foreign Trade, here today.

Wu and Sakurachi exchanged views on promoting Sino-Japanese friendship and resolving problems existing in bilateral relations.

Zhao Meets DPRK Newspaper Delegation

OW301427 Beijing XINHUA in English 1311 GMT
30 Nov 87

[Text] Beijing, November 30 (XINHUA)—Zhao Ziyang, general secretary of the Chinese Communist Party Central Committee, met a delegation from the newspaper "Minju Choson" of the Democratic People's Republic of Korea (DPRK) led by its Editor-in-Chief Kim Chong-suk here today.

During the meeting, Kim Chong-suk conveyed the warm regards of Korean leaders Kim Il-sung and Kim Chong-il to Zhao Ziyang. Zhao also asked Kim Chong-suk to convey his warm regards to Kim Il-sung and Kim Chong-il.

Zhao said the friendship between China and the DPRK founded by Kim Il-sung and Mao Zedong and other veteran revolutionaries will continue from generation to generation.

Southeast Asia & Pacific

PRC, Laos to Exchange Ambassadors

OW300816 Beijing XINHUA in English 0707 GMT
30 Nov 87

[Text] Beijing, November 30 (XINHUA)—China and Laos have agreed to restore friendly relations and exchange ambassadors, a Chinese Foreign Ministry official announced here today.

The official said a Laotian Foreign Ministry mission led by Khamphai Boupma, first deputy foreign minister, visited China between November 24 and 30.

Chinese Vice-Foreign Minister Liu Shuqing and Khamphai Boupma held talks on the normalization of Sino-Lao relations in "a reconciliatory, candid and friendly atmosphere," the official said.

The two sides reached accord to restore friendly relations on the basis of five principles of peaceful coexistence and exchange ambassadors again.

The two sides also negotiated on bilateral trade including border trade and commercial activities and exchange of visits between the residents along the border area, he said.

Khamphai Boupma invited the Chinese Foreign Ministry to send a delegation to visit Laos again and the Chinese side accepted the invitation with thanks.

During their stay in Beijing, Chinese State Councillor and Foreign Minister Wu Xueqian had a friendly conversation with the Laotian visitors. They expressed satisfaction with the results of the delegation's visit.

Wu expressed the belief the friendly relations between the two countries and traditional friendship between the two peoples will be restored and further develop with the concerted efforts from both sides.

The visitors left for home via Hong Kong this morning after visiting Guangzhou and Shenzhen, the official said.

Khamphai Boupma Issues Beijing Statement

BK260851 Vientiane Domestic Service in Lao
0500 GMT 26 Nov 87

[Text] A delegation of the Lao Ministry of Foreign Affairs led by Khamphai Boupma, first deputy minister, arrived in Beijing on 24 November. Khamphai Boupma was welcomed upon his arrival at Beijing Airport by Liu Shuqing, PRC deputy foreign minister, and cadres concerned from the ministry along with members of the Diplomatic corps from various socialist countries accredited to China.

At Beijing Airport, Khamphai Boupha issued a statement which said: This visit to China by our Lao People's Democratic Republic [LPDR] Foreign Ministry delegation is in response to an invitation from the PRC Ministry of Foreign Affairs. It is aimed at holding further meetings and talks at the deputy foreign minister level between the two countries, the first round of which were held in Vientiane in December 1986.

I am very pleased to take this opportunity to convey to the Chinese people the friendship and love of the Lao people. Laos and China are neighboring countries. The peoples of our two countries have maintained a tradition of good friendship since ancient times. They have given support and assistance to each other in the cause of the revolutionary struggle in each country. The Lao people have never forgotten the kindness of the Chinese people in rendering support and assistance to them during the time of the national salvation struggle against the imperialist aggressors. It is regrettable, however, that in recent years relations between our two countries have unexpectedly deteriorated, contrary to the aspirations of the peoples of Laos and China.

To further the meeting and talks in Vientiane, this delegation is visiting the PRC in order to seek, together with the Chinese side, means to settle outstanding problems with a view to normalizing relations between the two countries on the basis of the five principles of peaceful coexistence for the common benefit of the peoples of Laos and China. The delegation also hopes, in accordance with the common trend of the earlier meeting and talks, to settle remaining problems through peaceful means, to establish good-neighborly relations without outside interference, and to contribute to the cause of peace and stability in Southeast Asia and the world.

The consistent foreign policy of our Lao party and state was reiterated by Comrade Kaysone Phomvihane, general secretary of the Lao People's Revolutionary Party Central Committee and chairman of the LPDR Council of Ministers, in his speech delivered at the meeting of party and organization representatives attending the celebration of the 70th anniversary of the Great October Socialist Revolution in Moscow. In the speech, he said: As for our neighbor China, which is a big country, a member of the UN Security Council, and has a responsibility concerning peace in Southeast Asia, the Asia-Pacific region, and the world, we reaffirm that our unchanged stand is not to decrease our efforts to preserve and safeguard our friendship with the Chinese people. We aspire to see the relations between Laos and China normalized on the basis of mutual respect for each other's independence, sovereignty, and territorial integrity, noninterference in each other's internal affairs, nonaggression, equality and mutual interest, and peaceful coexistence. This stand completely conforms to the interests of peace, friendship, and cooperation between the two countries and among the countries in Southeast Asia and the Asia-Pacific region.

Our Lao people have undergone great sacrifices in the war against the imperialist aggressors for many decades. They aspire to live and build our country in peace in order to advance toward socialism.

I sincerely hope that with good intentions and with the efforts of both sides, we will be able to achieve success in normalizing relations between the two countries and restoring the traditional friendship and cordiality between our two peoples at an early date.

Lao National Day Marked in Beijing

OW 011124 Beijing XINHUA in English 1051 GMT
1 Dec 87

[Text] Beijing, December 1 (XINHUA)—The Chinese People's Association for Friendship With Foreign Countries hosted a film and cocktail party here this afternoon to mark the 12th anniversary of the founding of the Lao People's Democratic Republic.

Chinese Vice-Minister of Culture Gao Zhanxiang and Lao Embassy officials attended the party and saw a newly-shot Chinese film "Jadeite Mahjong Pieces".

Australia's Hawke Discusses Asian Issues

OW 280124 Beijing XINHUA in English 0113 GMT
28 Nov 87

[Text] Singapore, November 27 (XINHUA)—Australian Prime Minister Bob Hawke said tonight that the modernization of China, the current reform in the Soviet Union and the need for Western economies to solve their economic problems will assume greater importance in the Asia-Pacific region up to the early decades of the next century.

In a speech delivered here, he said the single most enduringly important event of our time is the emergence of China from its period of isolation.

China's political and economic reforms are major topics of Hawke's remarks tonight.

He said the implications are immense not only for the Chinese people but for the region outside China that seeks to involve their economies more closely with the Chinese economy.

Regarding to the situation in Vietnam, Hawke said more than a decade after achieving unity through the Vietnam war, Hanoi is still isolated, committed to economic principles that derive more from abstract ideology than realism.

He said Vietnam is indeed an island of stagnation in a sea of development.

As for the Soviet Union, Hawke said in the Soviet Union there have been more and more signs that it has embarked on long lasting and far reaching change, but it has done so in response to a crisis of stagnation.

Hawke's speech bears the title of "the challenge of change in the Asia-Pacific region".

Regarding to the region's situation, Hawke said the key long-term question for the Asia-Pacific region will be the impact these major internal changes have in the international arena.

For his part, he said, he will welcome a constructive involvement in the region by the Soviet Union in political and economic development.

But, he said, the region will be observing Soviet action in Indochina and Afghanistan as indicator of good faith.

Regarding to the U.S., Hawke said the emergence of the U.S. as the world's largest borrower is a more recent event and it will take many years before it could expect to regain its net lender status.

This presents a major challenge for economic leadership in the United States. However, he said, Western Europe and Japan also have crucial reform roles to play.

Japan is likely to experience continuing pressure to open its markets further and restructure its industrial base, he said.

The Asia-Pacific region holds the potential to fulfill its greatest expectations, he said, adding that those expectations will only be fulfilled as a result of hard work and clear understanding of the challenges and problems.

Australian Acting Minister on PRC Relations
OW300327 Beijing XINHUA in English 1122 GMT
29 Nov 87

[Text] Canberra, November 29 (XINHUA)—Australia and China now enjoy close and productive relations across a wide range of government business and community activities. These include regular official consultations on foreign policy and disarmament, and rapidly expanding industrial, cultural, media, sports and scientific exchanges.

This was noted by Acting Minister for Foreign Affairs and Trade Gareth Evans today while announcing the appointment of David Sadleir as the new Australian ambassador to China.

Evans said Sadleir's appointment came during a period of continued strong growth in Australia's bilateral relations with China. Chinese State Councillor Gu Mu recently visited Australia for the formal signing of the Channar iron ore agreement, itself a new landmark in

relations between the two countries. Australia also looks forward to a very senior Chinese delegation visiting Australia as part of the bicentenary celebrations.

The government's commitment to the relationship with China and its future development, he said, reflects Australia's wish to contribute to China's modernization and to sustained stability and prosperity in the region.

New Zealand Prime Minister Meets Gu Mu
OW290418 Beijing XINHUA in English 1258 GMT
26 Nov 87

[Text] Wellington, November 26 (XINHUA)—New Zealand Prime Minister David Lange met visiting Chinese State Councillor Gu Mu here this afternoon.

During the meeting, Lange said that the 12 years since the establishment of diplomatic relations between the two countries were a period of major significance, given the fact that their relationship marked by friendly cooperation had grown tremendously, whereas there had not been much understanding between each other during the 1950s and 1960s.

Gu Mu is on an official visit which will take him across the north and south islands of the South Pacific country, visiting a number of technology-oriented institutions and places of tourist interest.

Gu Mu's special fields of expertise include the promotion of foreign investment and tourism and the introduction of new technology into China.

Later in the afternoon, Gu Mu had discussions with Finance Minister Roger Douglas, Minister of Trade and Industry David Caygill and Associate Minister of State Owned Enterprises Peter Neilson.

During the discussions, they exchanged information on the economic restructuring that is taking place in both countries as well as views on expanding the economic and trade cooperation.

Gu Mu was feted at a dinner given by Foreign Affairs Minister Russell Marshall tonight on behalf of the New Zealand Government.

His six-day visit began on November 24, which took him to Christchurch and Queenstown before arriving in Wellington today.

Two-Way Trade With New Zealand Increases
OW291137 Beijing XINHUA in English 0802 GMT
25 Nov 87

[Text] Wellington, November 25 (XINHUA)—The two-way trade between New Zealand and China during the 12-month period ending last September reached a value of 467.8 million NZ dollars (285.35 million U.S. dollars), up from 406.4 million NZ dollars in the year-ago period.

This was pointed out by Chairman of the China Trade Association Dave Oram at the annual meeting of the association in Auckland yesterday, according to local press reports.

The association is made up of 90 major New Zealand companies which trade with China. China has become New Zealand's fifth biggest export market.

Oram said New Zealand exported products worth 356.5 million NZ dollars (217.46 million U.S. dollars) to China in the 12 months under review, compared with 311.5 million NZ dollars (190.01 million U.S. dollars) in the 1985-86 period.

New Zealand Prime Minister David Lange said recently that China is the biggest buyer of New Zealand's wool this year and can also become the biggest buyer of its butter, lamb and timber.

Imports of New Zealand from China were valued at 111.2 million NZ dollars (67.83 million U.S. dollars) in the one-year period, up from 94.8 million NZ dollars (57.82 million U.S. dollars) in the previous year, Oram added.

He noted that with the recent importation of crude oil worth 10.6 million NZ dollars (6.46 million U.S. dollars) from China and signs of other Chinese products like toys, furniture, undergarments, watches and clocks and non-military rifles finding acceptance here, there was room for considerable further growth.

He also urged members of his association to keep abreast of the improving climate of foreign investment in China.

At the moment, New Zealand companies have already entered into joint ventures and cooperative arrangements in China in areas such as textiles, machinery and computer software. China, for its part, has two substantial joint ventures in New Zealand—a wool scouring operation at Timaru and a prawn farm at Kaipara.

IZVESTIYA 'Prettified' SRV Withdrawal
OW010820 Beijing XINHUA in English 0634 GMT 1 Dec 87

["Soviet Newspaper Prettifies Vietnam's 'Troop Withdrawal'"—XINHUA headline]

[Text] Moscow, November 30 (XINHUA)—The official Soviet newspaper *Izvestiya* today prettified Vietnam's so-called "sixth partial troop withdrawal" from Kampuchea, which observers say is a mere troop rotation.

In a report of the "partial troop withdrawal," which Hanoi said was carried out from November 26 to 29, *Izvestiya* said the Vietnamese troops, sent late in 1978 to invade Kampuchea, are "volunteers" who are "performing their internationalist duties" in that country.

The "partial troop withdrawal," the sixth since 1982, is described by foreign observers here as a "feint withdrawal,"—an actual troop rotation in which fresh troops are sent to replace war-weary ones, since Vietnam still maintains at least 150,000 to 160,000 troops in Kampuchea. Hanoi has admitted that it had a maximum of 170,000 troops stationed in that country.

The Kampuchea issue was prompted by Vietnam's armed aggression against that country in 1978. The United Nations has adopted nine resolutions since 1979, calling for a total, immediate pullout of Vietnamese troops from Kampuchea, which the international community sees as the key to the settlement of the conflict.

But *Izvestiya*, which tried to gloss over Moscow's role in backing Hanoi in its aggression against Kampuchea, has been keeping silent all along about the relevant UN resolutions, to say nothing of urging Hanoi to implement these resolutions.

PLA Leader Xu Xin Leaves for Thailand
OW300436 Beijing XINHUA in English 0241 GMT 30 Nov 87

[Text] Beijing, November 30 (XINHUA)—Xu Xin, deputy chief of general staff of the Chinese People's Liberation Army, left Kunming, capital of Yunnan Province, this morning for Bangkok to attend celebrations for the 60th birthday of Phumiphon Adunyadet, king of Thailand.

The Chinese People's Liberation Army band, which was invited to visit Thailand, went with the general.

Procuratorial Delegation Leaves for Singapore
OW01008 Beijing XINHUA in English 1513 GMT 30 Nov 87

[Text] Beijing, November 30 (XINHUA)—A delegation from China's Supreme People's Procuratorate headed by Liang Guoqing, deputy procurator-general, left here today for Singapore on a goodwill visit.

Near East & South Asia

Zhao Ziyang Meets Bangladesh Party Delegation
OW010440 Beijing XINHUA Domestic Service in Chinese 1438 GMT 30 Nov 87

[Text] Beijing, November 30 (XINHUA)—Zhao Ziyang, general secretary of the CPC Central Committee, met a delegation of the National Party of Bangladesh in Zhongnanhai. The delegation was led by party General Secretary Shah Moazzam Hussain here today.

In a cordial and friendly conversation, Zhao Ziyang described the Sino-Bangladesh relations as "very friendly", and said Bangladesh President Hussain Mohammad Ershad has made contributions to promoting bilateral relations. Zhao Ziyang asked Moazzam to convey Zhao's warm regards to Ershad.

Zhao said the establishment and development of ties between the Chinese Communist Party and the Bangladesh National Party are conducive to the growth of friendship between the two peoples and of friendly ties between the two countries. He said he hoped for increased contacts between the two parties.

Moazzam delivered a letter from Ershad to Zhao Ziyang.

Zhao said he appreciated the assessment of bilateral relations and the desire to further such relations which were made and expressed by Ershad in his letter.

Zhao said that China has learned from its own experience that the people of a developing country must find a road of development which suits their own national conditions if they want to build their country well.

He said China will learn from other Third World countries, including Bangladesh, in national construction.

Moazzam said since the National Party came into being China is the first country it has chosen to visit.

He said during their current visit to China they had fruitful talks with their Chinese counterparts, which have helped increase mutual understanding and friendship.

Bangladesh attaches great importance to developing friendly relations with China, he said. The National Party attaches great importance to enhancing mutual understanding and cooperation with the Chinese Communist Party and appreciates its current policies, he added.

Zhu Liang, director of the International Liaison Department of the CPC Central Committee, was present at the meeting.

Jordanian Foreign Minister Al-Masri Visits

Meets Li Xiannian

OW010301 Beijing XINHUA in English 1155 GMT
30 Nov 87

[Text] Beijing, November 30 (XINHUA)—Chinese President Li Xiannian today expressed the hope that Arab nations will strengthen their unity and speak in one voice and become a strong force for peace.

Li made the remark at a meeting with Jordan's Foreign Minister Tahir al-Masri in the Great Hall of the People.

Tahir al-Masri said he was here to forward a letter from King Husayn to Chinese leaders and brief them on the recent special Arab summit conference held in Amman.

Positive results have been achieved to promote the unity among the Arab nations and agreements have been reached on some issues, he said. Jordan will continue its efforts for the implementation of the meeting's resolutions.

Li thanked King Husayn for writing to Chinese leaders and sending an envoy for the briefing.

He extended congratulations on the success of the summit and praised King Husayn for his efforts to promote unity among the Arab countries.

On the Iran-Iraq war, the president said China hopes to see an early end to the war. War causes losses to both sides. [words indistinct] peace will bring them benefits, he said. Ending the war will enable the countries involved to use their valuable manpower, money, and time for their domestic construction.

Talks With Wu Xueqian

OW010756 Beijing XINHUA in English 1231 GMT
30 Nov 87

[Text] Beijing November 30 (XINHUA)—Chinese State Councillor and Foreign Minister Wu Xueqian held working talks here today with Jordan's Foreign Minister Tahir al-Masri and his party.

Tahir al-Masri informed Wu Xueqian on the special Arab summit conference, which had achieved satisfactory results and had strengthened the unity among the Arab countries.

Tahir al-Masri forwarded Wu a letter of King Husayn to the Chinese leaders.

The Chinese foreign minister congratulated on the success of the summit conference and spoke highly of King Husayn's efforts for the success of the conference and for promoting the unity of the Arab countries.

Wu stressed that the unity among the Arab countries is very important and reiterated China's positions on the issue of the Middle East and the Iran-Iraq war.

He said that a political settlement is the best way to solve the Middle East issue and China supports the convocation of an international conference on the Middle East issue to be presided over by the United Nations.

China supports the efforts of the UN secretary general to mediate the Iran-Iraq war and hopes for an early and overall implementation of the No 598 Resolution of the UN Security Council, Wu said.

Tahir al-Masri and his party arrived here yesterday afternoon.

Pakistan President Meets Auditors' Delegation
OW302347 Beijing XINHUA in English 1832 GMT
26 Nov 87

[Text] Islamabad, November 26 (XINHUA)—Pakistani President Mohammad Ziaul Haq said today that the exchange of visits between the auditing administrations of Pakistan and China has opened up a new sphere of cooperation between the two countries.

Ziaul made the remarks when receiving here tonight the 5-member Chinese auditors' delegation, led by Lu Peijian, auditor-general of China's Auditing Administration.

The President said that he is satisfied with the results of the visit by the Chinese delegation and cooperation in the field of accounting and auditing between the two countries.

Ziaul also said that he is expected to meet Chinese Acting Premier Li Peng during his forthcoming visit to China next year.

The Chinese delegation arrived in Pakistan on November 19 for an 8-day visit. It will leave the country for home tomorrow.

Sports Protocol Signed With Yemen
OW010851 Beijing XINHUA in English 0117 GMT
1 Dec 87

[Text] Sanaa, November 30 (XINHUA)—China and the Yemen Arab Republic signed a protocol for sports cooperation in the period from 1987 to 1989 here today.

Under the protocol, the State Physical Culture and Sports Commission of the People's Republic of China will send more than thirty Chinese coaches for table tennis, basketball, volleyball, field and track and gymnastics to train Yemeni athletes.

The bilateral protocol was signed by Chinese Ambassador Zheng Dayong here and Ahmad al-Shubaybi, assistant secretary general of the Arab Yemeni Supreme Council for Youth and Sports.

Sub-Saharan Africa

Foreign Minister Meets Burkina Faso Envoy
OW281224 Beijing XINHUA in English 1035 GMT
28 Nov 87

[Text] Beijing, November 28 (XINHUA)—Chinese State Councillor and Foreign Minister Wu Xueqian met here today with Monvel Michel Da, special envoy of Blaise Compaore, chairman of the Popular Front and president of Burkina Faso.

During the meeting, Da briefed Wu on the reasons and process of the change in the Government in Burkina Faso on Oct 15 and the current situation in the country.

Da expressed the willingness of the new Government of Burkina Faso to continue to develop the friendly and cooperative relations between Burkina Faso and China.

Wu Xueqian reiterated China's consistent stand on handling its relations with other countries on the basis of the five principles of peaceful coexistence.

Wu said that China does not interfere in the internal affairs of Burkina Faso and hopes the situation in the country will remain peaceful and stable so as to be conducive to the development of national economy and the improvement of people's life.

He stressed that the Chinese Government attaches importance to the friendship between China and Burkina Faso and is willing to make joint efforts with the Government of Burkina Faso in consolidating and developing the bilateral relations of friendship and cooperation which have been existing.

Da arrived here on Friday.

Messages Sent to Anti-Apartheid Conference
OW302325 Beijing XINHUA in English 1558 GMT
30 Nov 87

[Text] Beijing, November 30 (XINHUA)—The All-China Federation of Trade Unions (ACFTU) today extended a message of congratulations for the International Anti-Apartheid Conference that opens tomorrow in Arusha, Tanzania.

The federation, representing 130 million workers, will, as always, resolutely support the South African people in their struggle against racial discrimination and segregation, the message said.

The ACFTU, in the message, also expressed its support for the Namibian people and those in other southern African countries fighting for national independence and safeguarding national security, peace, and stability.

Meanwhile, the Chinese Association for International Understanding, the All-China Youth Federation, and the All-China Students' Federation also sent congratulatory messages.

Nigerian Minister Receives Science Delegation
OW280325 Beijing XINHUA Domestic Service
in Chinese 1836 GMT 25 Nov 87

[Text] Beijing, 25 Nov (XINHUA)—According to a report from Lagos, Nigerian Minister of Science and Technology Emmanuel Emovon met on 24 November with a Chinese science and technology delegation led by Vice Minister Guo Shuyan, who heads China's Scientific

and Technological Commission. During the meeting, the Nigerian minister expressed hopes for increased cooperation with China in agriculture, energy, and public health. The Chinese delegation arrived in Nigeria on 22 November on a 5-day visit.

West Europe

NPC Delegation Begins Portugal Visit

*OW010608 Beijing XINHUA in English 0159 GMT
1 Dec 87*

[Text] Lisbon, November 30 (XINHUA)—A delegation of the Chinese National People's Congress (NPC), led by Liao Hansheng, arrived in Lisbon on Monday for a six-day goodwill visit to Portugal.

Liao, vice chairman of the NPC Standing Committee, paid high tribute to the important role Portugal has played in European and world affairs, and stressed the rapid growth of the Sino-Portuguese relations.

Liao will meet Portuguese parliament and government leaders to exchange views on development of bilateral relations, safeguarding world peace and discussing issues of common interest.

Liao was greeted at the airport by the vice president of the Portuguese Republic Assembly (parliament) Manuela Aguiar.

Zhao Puchu Meets Italian Television Chief

*OW010317 Beijing XINHUA in English 1118 GMT 30
Nov 87*

[Text] Beijing, November 30 (XINHUA)—Zhao Puchu, vice chairman of the Chinese People's Political Consultative Conference National Committee, met with Enrico Manca, president of the Italian Television and Broadcasting Corporation, here today.

CPC School Delegation Leaves for Italy

*OW010153 Beijing XINHUA in English 1514 GMT
30 Nov 87*

[Text] Beijing, November 30 (XINHUA)—A five-member delegation from the Party School of the Chinese Communist Party (CPC) Central Committee headed by Gao Yang, member of the CPC Central Advisory Commission and president of the school, left here today for Italy on a visit at the invitation of the Italian Communist Party.

East Europe

GDR Foreign Minister Fischer Begins Visit

*LD011253 East Berlin ADN International Service
in German 1152 GMT 1 Dec 87*

[Text] Beijing, 1 Dec (ADN)—Oskar Fischer, the GDR minister of foreign affairs, arrived in Beijing on Tuesday for an official visit to the People's Republic of China.

His visit takes place at the invitation of his counterpart Wu Xueqian, member of the State Council, who welcomed his guest at the airport of the Chinese capital.

The foreign ministers will start their talks in Beijing on Wednesday.

Song Ping Meets With Visitors From GDR

*OW290406 Beijing XINHUA in English 1221 GMT
26 Nov 87*

[Text] Beijing, November 26 (XINHUA)—Song Ping, member of the Political Bureau of the Chinese Communist Party Central Committee, met with and hosted a banquet for two study groups from the German Democratic Republic here tonight.

They are an organizational work study group and an economic study group of the Central Committee of the Socialist Unity Party of Germany. The groups are led respectively by Heinz Mirtschin, member of the party Central Committee and head of the committee's Organization Department, and Helmut Koziolk, member of the Central Committee and president of the Central Institute of Socialist Economic Management.

Bo Yibo Receives Bulgarian Party Officials

*OW280355 Beijing Domestic Service in Mandarin
1600 GMT 25 Nov 87*

[Text] Bo Yibo, vice chairman of the Advisory Commission of the CPC Central Committee, met Konstantin Atanasov, member of the Central Committee of the Bulgarian Communist Party and first deputy chief of the committee's Foreign Policy and International Relations Department, and his party on 25 November.

Ji Pengfei Meets Bulgarian Amity Delegation

*OW280832 Beijing XINHUA in English 0650 GMT
28 Nov 87*

[Text] Beijing, November 28 (XINHUA)—Chinese State Councillor Ji Pengfei met here today a delegation from the Bulgaria and China Friendship Society, led by Chairman L. Stefanova.

Goods Exchange Protocol Signed With Poland

*OW290343 Beijing XINHUA in English 0703 GMT
28 Nov 87*

[Text] Beijing, November 28 (XINHUA)—A protocol on goods exchange and payments for 1988 between the Chinese and Polish Governments was signed here today.

Zhang Haoruo, Chinese vice-minister of foreign economic relations trade, and H. Floeth, Polish deputy to the minister of external economic cooperation, signed the document on behalf of their respective governments.

Earlier, the Chinese and Polish sides held annual talks on bilateral trade. Both sides were satisfied with the results of the talks, which had been held in a sincere and friendly atmosphere.

Romanian Unification Anniversary Marked
*OW290357 Beijing XINHUA in English 0844 GMT
28 Nov 87*

[Text] Beijing, November 28 (XINHUA)—Angelo Miculescu, Romanian ambassador to China, hosted a reception at the embassy here today to mark the 69th anniversary of Romanian national unification.

Li Qiang, president of the Sino-Romania Friendship Association, was among those present on the occasion.

Albanian Independence Anniversary Noted
*OW290226 Beijing XINHUA in English 1203 GMT
26 Nov 87*

[Text] Beijing, November 26 (XINHUA)—The Chinese People's Association for Friendship With Foreign Countries gave a reception here today to mark the 75th anniversary of the independence and 43rd anniversary of the liberation of Albania and the victory of the Albanian people's revolution.

Albanian Ambassador to China Justin Papajorgji was present.

Latin America & Caribbean

Zheng Tuobin Signs Trade Protocol in Havana
*OW290150 Beijing XINHUA in English 0141 GMT
29 Nov 87*

[Text] Havana, November 28 (XINHUA)—Zheng Tuobin, Chinese minister for economic relations, and Cuban Foreign Trade Minister Ricardo Cabrisas signed a trade protocol for 1988 yesterday.

Under the agreement, Cuba will export to China raw sugar, steel bars, pine seeds, books, publications, records, cassettes, and other items.

In return, China will sell Cuba foodstuffs, handicrafts, toys, chemicals, textiles, spare parts, tools, rubber, plastic articles, medical equipment and other industrial products.

The two ministers also agreed to establish a joint ministerial commission for economic cooperation.

Trade between China and Cuba is expected to surpass 200 million dollars this year, and a 50 percent increase is expected next year.

Joint Venture With Chile Planned for Beijing
*SK300858 Beijing BEIJING RIBAO in Chinese
20 Nov 87 p 1*

[Text] A foundation stone-laying ceremony for the main factory building of Jingsheng Bronze Pipe Corp was held at Shahe Town on the outskirts of Beijing on 19 November. The factory is jointly financed and built by the first bronze pipe plant of the Beijing Municipal Nonferrous Metal Industrial Co and the Chile Refined Bronze Co. Attending the ceremony were municipal government leaders, including Chen Xitong and Zhang Jianmin; Zhang Peng, adviser of the municipal government; and Huang Jichun, deputy general manager of the China National Nonferrous Metals Industry Corp.; and (Martin Nacci), Chile's ambassador to China.

This Chinese-Chilean corporation, the first joint venture by China and a Latin American country, was established in May this year. It will mainly produce materials for making various specifications of soft, hard, rectilinear, and coil bronze pipes, of which the materials for making resin-coated pipes fill the gaps domestically. These materials will be extensively used for manufacturing air conditioners, refrigerators, and motor vehicles. The factory building's has 21,500 square meters of floor space. A complete set of advanced production equipment will be imported from foreign countries. It is expected that upon completion and going into operation in 1989, this joint venture will help improve the situation of importing large amount of these kinds of products.

Geng Biao Meets Venezuelan Delegation
*OW010201 Beijing XINHUA in English 1316 GMT
30 Nov 87*

[Text] Beijing, November 30 (XINHUA)—Geng Biao, Standing Committee member of the CPC Central Advisory Commission and vice chairman of the Standing Committee of the National People's Congress (NPC), met and feted here today a delegation from the Venezuelan Christian Social Party.

The delegation is led by Leonardo Ferrer, former president of the Venezuelan Chamber of Deputies and member of the National Committee of the Christian Social Party.

The Venezuelan guests arrived here November 26 at the invitation of the International Liaison Department of the Chinese Communist Party Central Committee.

Leaders Meet National Supervision Directors
*OW010936 Beijing XINHUA in English 0907 GMT
1 Dec 87*

[Text] Beijing, December 1 (XINHUA)—Zhao Ziyang, general secretary of the Chinese Communist Party Central Committee, met the participants at a national meeting of supervision directors which closed here today.

Zhao Ziyang was joined by other leaders, including Acting Premier Li Peng, and Vice-Premiers Qiao Shi, Yao Yiling, Wan Li and Tian Jiyun were also present.

At the three-day meeting, some 110 participants heard reports on the examination of Sino-foreign economic contracts by the Ministry of Foreign Economic Relations and Trade, the State Commission of the Machine Building Industry and other supervision bureaus.

The meeting was the first of its kind since the Ministry of Supervision was founded last June according to a proposal by Zhao and a decision by the Standing Committee of the National People's Congress.

The party Central Committee and the State Council, the highest body of Chinese Government, attaches great importance to supervision work, said Wei Jianxing, 56, minister of supervision [title as received], at today's closing ceremony.

The minister urged supervision officials to combat bribery, embezzlement, bureaucracy and dereliction of duty by government functionaries to ensure the smooth implementation of the policy of reform and opening to the rest of the world.

CPC Thanks Parties for Congress Support
*OW010705 Beijing XINHUA Domestic Service
in Chinese 1235 GMT 29 Nov 87*

[Text] Beijing, 29 Nov (XINHUA)—The CPC Central Committee has sent a letter of thanks to the central committees of the various democratic parties and the All-China Federation of Industry and Commerce. The full text follows:

To the Central Committees of the Chinese Kuomintang Revolutionary Committee, the China Democratic League, the China Democratic National Construction Association, the China Association for Promoting Democracy, the Chinese Peasants and Workers' Democratic Party, the China Zhi Gong Dang, and the Jiusan Society as well as the General Office of the Taiwan Democratic Self-Government League and the All-China Federation of Industry and Commerce:

During the 13th CPC National Congress, you sent us separate letters or messages of warm congratulations, for which we now wish to express our heartfelt gratitude to you.

The various democratic parties and the All-China Federation of Industry and Commerce are our party's long-tested, close comrades in arms and important forces on which we rely to develop the patriotic united front, to maintain stability and unity, and to undertake socialist modernization. From now on, we will continue to adhere to the policy of "long-term coexistence and mutual supervision" and the principle of "treating each other with all sincerity and sharing weal and woe," to improve the system of multiparty cooperation under the leadership of the CPC, and to support the democratic parties in bringing their role into full play in the political life of the state.

Let us unite more closely and work together to build socialism with Chinese characteristics and to achieve the great goals of revitalizing China and reunifying the motherland under the guidance of the basic line for the initial stage of socialism!

With best wishes,

[Signed] The CPC Central Committee [not dated]

Hong Kong Monthly Sees CPC Internal Crisis
*HK011150 Hong Kong CHENG MING in Chinese
No 122, 1 Dec 87 pp 6-9*

["Notes on the Northern Journey" by Lo Ping (5012 0393): "CPC Documents Reveal a Crisis"]

[Text] After the 13th CPC Congress, quite a number of cadres heard about a report on the personnel arrangement at top CPC posts. In fact, a document concerning this report had been distributed by the CPC Central Committee before the 13th congress was convened, but it was not relayed to the lower levels. Based on this document, people can see that the personnel change in the CPC Political Bureau and in the Standing Committee had undergone twists and turns before the 13th congress. It would have been impossible to perform the show at the 13th congress if the contradictions were not eliminated in the last 5 minutes.

The document consists mainly of Bo Yibo's report to the Presidium of the 13th congress on 27 October. The report focuses on the issue of respecting the "three veteran leaders" and the "four less veteran leaders." The main ideas of the report are as follows:

A Political Deal Offered by the "Three Veteran Leaders"—"A Semiwithdrawal" [subhead]

Deng Xiaoping said last year that the main purpose of the 13th congress would be to make the average age of leading cadres younger and that this task would be completed within 10 years. Xiaoping let us discuss the problem of lowering the average leading cadre age. He also discussed this problem with Comrades Xiannian and Chen Yun. The three agreed that they would

announce their complete withdrawal at the 13th congress. They let us fully consider this problem. We members of the seven-person group could not see why they should withdraw. We then discussed this and came to a consensus that the three veteran leaders, and Comrade Xiaoping in particular, should not withdraw. This voice reached the peak at the seventh plenary session. In October last year, we began to persuade Comrade Xiaoping not to withdraw, but every time we persuaded him, he said: "I am already 83. I seem to be in good physical condition. My brain is good and I am not muddleheaded. But after all, I am over 80. I do not know when I will break down. If I do not take the lead in withdrawing, I will not comply with the agreement the three of us have reached." Subsequently, we continued persuading him not to withdraw, but he rejected our opinions. He said: "The chairs are just this few. If we do not withdraw, new people cannot come up; and if new people cannot come up, we will be facing the danger of aging. A lack of experience will make it difficult to ensure the implementation of the line drawn up since the Third Plenary Session." We also asked Comrades Ziyang and Shang-kun to persuade him. For a half year, we discussed this problem once or twice a week. Finally we worked out a "semiwithdrawal" program. At first Xiaoping did not agree to it. But we said: "The three services should have a commander. You have drawn up all the major principles. If you do not want to be chairman of the military commission, you should recommend one for the post!" Thus he said that he would retain the post for some time but pointed out that there should be a successor. He said that there should be a first vice chairman in the military commission and suggested Zhao Ziyang assume the post. Subsequently, we discussed this with Comrades Chen Yun and Xiannian, who agreed to the program on semiwithdrawal. Therefore a decision was made that Comrade Chen Yun would assume the post of chairman of the Central Advisory Commission and that Comrade Xiannian would assume another post in spring next year. The four less veteran leaders including Peng Zhen asked to withdraw after learning that the three veteran leaders had decided to withdraw. Sister Deng decided to resign the post of national CPPCC chairman. Generals Nie and Xu decided that they would no longer retain the post of vice chairmen of the Central Military Commission.

The Three Veteran Leaders, the Four Less Veteran Leaders, and Other Veteran Leaders Are Holding Big Powers [subhead]

The report was made by Bo Yibo at Zhao Ziyang's request. Why Bo Yibo? Because he was in charge of the seven-person group responsible for the personnel arrangement of the 13th CPC Central Committee, the Central Advisory Commission, and the Central Discipline Inspection Commission. These seven persons were Bo Yibo, Yang Shangkun, Wang Zhen, Song Renqiong, Wu Xiuquan, Yao Yilin, and Gao Yang. A group composed of 12 persons including Qiao Shi, Deng Liqun, Han Guang, and Song Ping was subsequently formed.

This group performed its duties under the leadership of the seven-person group. The word "we" in Bo Yibo's report refers to the seven-person group.

This document, or rather Bo Yibo's report, reveals the dispute between top CPC leaders. A comparison between the dispute and the news spreading after the 13th congress suggests that power struggle among top CPC leaders is serious and that the "revolutionary predecessors" are hold astonishingly big powers.

First, Deng Xiaoping wanted to use his withdrawal from the Political Bureau, the Standing Committee of the bureau, and the CPC Central Committee to encourage other veteran leaders to withdraw. Over the last few years, and particularly since the beginning of this year, conservative veteran leaders have launched a series of attacks against reformists. The conflict between the two blocs has given Deng Xiaoping a big headache. Originally, he did not plan to withdraw but to persuade conservative veteran leaders to withdraw. Nevertheless, neither Li Xiannian nor Peng Zhen was willing to withdraw. This made it impossible for Deng Xiaoping to fulfill his plan. Therefore Deng Xiaoping used the method adopted by Hua Guofeng, that is, persuading other veteran leaders to withdraw by withdrawing himself first. These veteran leaders include the "three veteran leaders" and the "four less veteran leaders." The three veteran leaders are Deng Xiaoping, Li Xiannian, and Chen Yun and the four less veteran leaders are Peng Zhen, Deng Yingchao, Nie Rongzhen, and Xu Xiang-qian. Before the 13th congress, Deng Xiaoping thought that the opportunity was ripe for veteran leaders to withdraw. Therefore on several occasions he expressed his willingness to withdraw so as to encourage other veteran leaders to withdraw. Thus it can be seen that Deng Xiaoping was playing the trick of power.

Li Xiannian's Case Is the Most Difficult To Handle Among the Three Veteran Leaders [subhead]

Second, Deng Xiaoping had talks with Li Xiannian and Chen Yun on several occasions. Deng Xiaoping said that the three of them should announce their withdrawal at the 13th congress, but Li Xiannian and Chen Yun did not agree. Li Xiannian's case was difficult to handle. He was aware that if he withdrew from the post of state president, Yang Shangkun would fill in the vacancy. He said blatantly: "Yang Shangkun is 1 year older than I am." "I have withdrawn to the second line by assuming the post of state president," he added. The first sentence was aimed at Deng Xiaoping, who wanted to substitute Yang Shangkun for Li Xiannian. By the second sentence, Li Xiannian meant that he was not appointed premier after the fall of the gang of four and Hua Guofeng. Obviously, he wished very much to get the post of premier, because premier has real power. This problem remained unsettled for quite some time until the semi-withdrawal program was put forth. Semiwithdrawal means that Li Xiannian will assume the post of national CPPCC chairman next year or retain the post of state

president, that Chen Yun will assume the post of chairman of the advisory commission, and that Deng Xiaoping will assume the post of chairman of the military commission. This is the "semiwithdrawal" of the three veteran leaders. Li Xiannian's case was solved shortly before the convening of the 13th congress. Li asked to visit foreign countries, Deng agreed. So Li started his visits abroad after the 13th congress. His wife Lin Jiamei made a careful diet arrangement for her granddaughter. So the air force kindergarten in the Baozi Lane in which this little princess was taken care of began to provide her with a special diet.

Of the Four Veteran Leaders, Peng Zhen Was the Most Difficult to Persuade [subhead]

Third, Peng Zhen's problem. The withdrawal of the four veteran leaders would be comparatively easier because Deng Yingchao, Nie Rongzhen, and Xu Xiangqian had long had the intention to withdraw. Deng Yingchao said on several occasions that she would no longer retain the post of chairman of the national CPPCC. But Peng Zhen was not willing to withdraw. Being aware that Deng Xiaoping would substitute Wan Li for him as NPC chairman, Peng Zhen said he would not withdraw if Wan Li had been arranged to replace him. He nominated Qiao Shi as NPC chairman, but Deng Xiaoping did not agree. Deng made arrangements to appoint Qiao Shi as secretary of the Central Discipline Inspection Commission, to show his disagreement with Peng Zhen. As the three veteran leaders had decided on a semiwithdrawal and the other three less veteran leaders agreed to a complete withdrawal, Peng Zhen had no alternative but to withdraw completely.

Unstable Factors in the Military Are Not Small [subhead]

Fourth, according to Bo Yibo's report, only Deng Xiaoping could assume the post of chairman of the military commission. This shows that unstable factors in the military are not small. Some people said that Deng Xiaoping's recommendation of Zhao Ziyang as first vice chairman of the military commission suggested Deng's distrust of Yang Shangkun. However, as Zhao Ziyang does not have any experience in leading the army, Yang Shangkun will possibly control military power from the post of permanent vice chairman. If Deng Xiaoping withdraws from the post of chairman of the military commission, it is possible that an astonishing situation will appear in military circles. Reports say that Deng Xiaoping has decided on the substitution of Qin Jiwei, a vice chairman of the military commission, for chairman of the commission. After the 13th congress, Qin Jiwei entered the Political Bureau (originally alternate member of the bureau) and the military commission.

The Background for Qin Jiwei's Success [subhead]

Hua Guofeng stepped down from his leadership post in 1981. Cadres at the battalion, regimental, divisional, and army levels in the Tianjin 66th Army directly under the Beijing Military Region jointly wrote a letter to the CPC Central Committee expressing their "failure to understand" Hua Guofeng's removal from office. Angry and panic-stricken, Qin Jiwei immediately issued an order to reorganize the 66th Army. As a result, cadres at the four levels who jointly wrote the letter were transferred to civilian work. However, Qin Jiwei, still dissatisfied with what had been done, wrote a letter to the Central Military Commission demanding that Deng Xiaoping take charge of the large-scale military exercises in Zhangjiakou. The Central Military Commission agreed and decided that commanders at the divisional level and above were required to attend the exercises. Hu Yaobang made a speech at the opening ceremony of the exercises, saying that Deng Xiaoping was the leader of the Chinese people today and that those who opposed Deng Xiaoping were counterrevolutionaries. Hu Yaobang's purpose was to express his loyalty and to stabilize the army. Deng Xiaoping did not make any comment. Subsequently, Hu Yaobang's speech was distributed throughout the army as a document but was withdrawn 3 days after the distribution. Informed sources described the Zhangjiakou military exercises as being like the Zunyi meeting in former times. The exercises helped consolidate the positions of two people. One was the position of Hu Yaobang as the top leader (chairman) of the party and the other was the position of Qin Jiwei, who would take over army leadership. But Hu Yaobang fell down and Qin Jiwei went up.

All this indicates that problems in the CPC are serious.

Zhao Ziyang Admitted: Reforms Are Difficult; When the Man Dies, Politics Ceases [subhead]

The above is only a part of the CPC document (Bo Yibo's report). There is still some on Zhao Ziyang's speech after Bo Yibo's report. Zhao Ziyang said:

Like everyone else present, we are expecting that Comrade Xiaoping will retain his post. We have our own arguments, but Comrade Xiaoping thinks and sees further than us. What we see is immediate interests, but Comrade Xiaoping is considering the future retirement system, which involves a more important reform. If we do not implement this policy when he is healthy, we will find very difficult to put it into effect in the future. At first I thought Comrade Xiaoping should respect the thoughts of the entire party. Therefore I told some foreigners on several occasions that the party did not agree to his retiring. But now we should respect his thoughts. This issue should not be raised at the 13th congress as a very acute problem. Everyone present should do some persuasion work. Xiaoping's role does not rely on whether he remains in the Political Bureau. He is a policymaker. This is recognized by people in and outside the party and in the country and abroad. As a matter of fact, he is the helmsman. He is not the first

leader in many posts, but his role and influence are not restricted by his posts. His role will stay so long as he is in good health and clearheaded. We should understand, respect, and accept his opinions. Zhao Ziyang made more detailed remarks at the 1st Plenary Session of the 13th CPC Central Committee on 2 November:

"Comrade Xiaoping can summon members of the Standing Committee of the Political Bureau to a meeting."

We members of the Standing Committee are lucky because Comrades Xiaoping, Xiannian, Chen Yun, and Peng Zhen are still in good health. We should particularly mention Comrade Xiaoping. He has experienced a long historical test. As a policymaker of the party and the state, his position and role will remain unchanged. He still can summon members of the Standing Committee to a meeting, if he deems it necessary. We will ask him for instructions on major problems.

The CPC Central Committee also issued a document regarding Zhao Ziyang's speech at the 1st Plenary Session of the 13th CPC Central Committee. From his speech, we can see the three following problems:

First, being aware that he does not enjoy a very high reputation in the party and the army, Zhao Ziyang lauded Deng Xiaoping in an attempt to use Deng Xiaoping's influence to stabilize his own position. Thus it can be seen that the conflict between the two forces in the party is serious and that the pressure from the conservatives is heavy on Zhao Ziyang. Zhao Ziyang will ask Deng Xiaoping for instructions whenever he comes across major problems. In this way, he will reduce the pressure from the conservatives.

Second, the CPC is still exercising rule by man, by one man. Deng Xiaoping is still holding a position beyond control of the party constitution. He is the "overlord" in the Standing Committee of the Political Bureau. This suggests feudal features in the "initial stage of socialism."

Third, the implementation of the reform policy of the CPC depends on how long Deng Xiaoping can live. When the man dies, politics ceases, and it will be difficult to ensure Zhao Ziyang's political life. It can be said with certainty that it will be impossible to maintain political stability.

These three problems boil down to one point: The party is not stable, the army is not stable, and the policy is not stable.

The 13th congress and the 1st Plenary Session of the 13th CPC Central Committee are over. Now top leaders in the party are eyeing the Seventh NPC next year. It is believed that the power struggle between people in high positions of the state will continue and become tense.

New PLA Chief Thanks Veterans for Support
OW010050 Beijing XINHUA Domestic Service
in Chinese 1700 GMT 30 Nov 87

[By XINHUA Correspondents Yi Ying and Dong Wen]

[Text] Beijing, 30 Nov (XINHUA)—"My salute to the outgoing chief of general staff," said Chi Haotian, the newly appointed PLA chief of general staff, as he gave a solemn military salute to Yang Dezhi, pledging that he "will try his utmost to inherit and carry forward the fine traditions and workstyle of the General Staff Department in order to fulfill the task entrusted by the party Central Committee and the Central Military Commission."

On 28 November, some 100 senior generals of the General Staff Department attended a gathering to welcome new Chief of General Staff Chi Haotian.

After a firm handshake with Chi Haotian, Yang Dezhi, the outgoing chief who had performed brilliant exploits during his 6-decade long military career, congratulated his successor. Reviewing the work of the General Staff Department since he took office in 1980, Yang Dezhi said: "Over the past 8 years, the General Staff Department has implemented the line, principles, and policies laid down at the 3d Plenary Session of the 11th CPC Central Committee and has successfully completed all tasks set by the party Central Committee and the Central Military Commission." He thanked the generals with a deep bow for their close cooperation over the years.

Introducing the new chief to the generals, Yang Dezhi said: Chi Haotian, born in 1929, joined the army during the War of Resistance against Japan and fought valiantly in the revolutionary war years, receiving one award after another for his meritorious service, including the title "East China People's Hero." With his experience in PLA units, military regions, and the headquarters, he is well versed in military affairs at both local and central levels. It is believed that after he assumes his post, the work of the General Staff Department will further improve.

Quoting Zhuge Liang, the renowned military strategist during the Three Kingdoms Era, Chi Haotian said that he "could neither sleep nor eat well on the day of his appointment." He admitted that the pressure is great but that the support of the outgoing chief and veteran marshals has enhanced his confidence. As he paid tribute to Yang Dezhi's contribution to the Army's modernization, the new chief cited the General Staff Department's major achievements in the work in various fields over the past 8 years under the correct leadership of the party Central Committee and the Central Military Commission.

Discussing the General Staff Department's future work, Chi Haotian said that it will penetratingly carry out the guidelines of the 13th CPC National Congress in order to promote reform in the PLA and achieve concrete results

in its modernization. He asked the generals to continue their support by voicing suggestions and opinions and exercising strict supervision so as to continuously achieve advances with one heart and one mind in the work of the staff departments and the PLA.

'FT-7' Supersonic Trainer Wins Praise
*OW010548 Beijing XINHUA in English 0226 GMT
1 Dec 87*

[Text] Beijing, December 1 (XINHUA)—FT-7, a new supersonic fighter trainer developed by China, won praise from experts for its performance at the 37th Paris International Aeronautics and Space Show, officials here said today.

The FT-7, which can carry two missiles, needs 900 meters for takeoff.

The results of ground tests and test flights show the plane has fulfilled the designed requirements.

China has begun producing the plane in batches.

Beijing, Tianjin, Shanghai To Ration Pork
*OW010254 Beijing XINHUA in English 0222 GMT
1 Dec 87*

[Text] Beijing, December 1 (XINHUA)—Pork, the main meat eaten by the majority of the Chinese people, and sugar will be rationed in Beijing starting today.

Every resident in the Chinese capital is entitled to one kg of pork each month, and every family with up to three people is rationed to one kg of sugar, and with four or more people to 1.5 Kg of sugar every month.

However, in supermarkets pork in small packets of 0.5 and one kg will still be available, but at higher prices.

According to the Beijing municipal government, the present pork shortage has been caused by a sharp increase in consumption, farmers' reluctance to raise pigs due to the rising cost of pig feed and increasing pork purchases from outside Beijing.

The city reported that 20,000 tons of pork were sold last month, 66 percent more than in October 1986.

The city government attributed the sugar shortage to China's stagnating production of sugar owing to pricing factors, a decrease in sugar imports and sharp increase in demand.

Meanwhile, the municipal government, which plans to raise 3.5 million pigs by 1990, has worked out a series of incentives to encourage pig raising in the suburban areas to meet urban demand.

The State Council has also decided to allocate three million tons of grain specially for pig raising, 10 percent of which will be for Beijing.

In the other two municipalities of Tianjin and Shanghai, pork rationing has also been introduced.

Tianjin municipality limits each person to 1.25 kg each month and Shanghai is restricting purchases of pork to three yuan-worth a month.

Article on Rural Economic Development
*HK301340 Beijing RENMIN RIBAO in Chinese
24 Nov 87 p 2*

[Article by Wu Changsheng (0702 7022 3932), Jiang Yaping (5592 0068 1627) and Xiao Junxi (5135 0193 3556): "New Waves of Development—General Trend of Economic Change in China's Countryside (Part Five)"]

[Text] Abstract: "Generally speaking, our countryside is still in the stage of development." This conclusion by Comrade Zhao Ziyang in his report at the 13th National Party Congress not only sums up the past but peers into the future. Since the beginning of the 1980's, a spectacular agricultural scene has appeared in the countryside. [End Abstract]

A blind sentiment of optimism over our agriculture that once appeared is ebbing. Agricultural development is becoming a new "hot topic" of discussion among people.

Rolling Big Waves [subhead]

For fairly long, our agricultural situation was like this: On the one hand, peasants concentrated too much attention on farm land. The area planted in grain was expanded and extended, with hills dug up and land reclaimed from sea and lake shores at the expense of grassland. On the other hand, there were large "blank" sheets to be developed, resources that lay unused, industries that had not been developed, and technologies and varieties to be introduced.

There was a sharp contrast between these two excesses.

Reform changed this situation. A wave of enthusiasm never before witnessed was aroused. Eight hundred million peasants lifted the curtain on the overall development of resources, industries, technologies and human resources to fill the void.

The pursuit of "a rich harvest of five kinds of grain and the thriving of six kinds of animals" had become a new demand. Agriculture, forestry, animal husbandry, sideline occupations, fishery, industry, commerce, construction, transport, and service trade were taken up simultaneously. In 8 years, there have been the following changes:

Where areas were reclaimed from sea shores, the breeding trade was developed in shoals. The total national area used for breeding purposes was more than three times as large as before.

The fresh water breeding trade also showed great development, with a 2-plus-fold increase in output.

More than 20 million mu of barren hills and mounds were covered with fruit trees. Fruit output almost doubled.

As to new industries like edible mushrooms, flowers and plants, export of labor services, and so forth, which department should take charge of them as their "anchor" has so far not been known. These industries have now become the mainstay of many local economies. Presently, our country had an output value of edible mushrooms exceeding 1.5 billion yuan and ranked first in the world in export volume....

Development means an enlarged opening where economic development is concerned. It means the opening of new industries and also the use of new technologies and the introduction of new varieties. The farming system has also made a break with the old unilateral pattern and developed in the direction of diversification. The masses of peasants have taken a great interest in standardized cultivation, three-dimensional [as published] operation, dry-land crop farming, ecological farming, operation on a moderate scale, courtyard economy, application of fertilizer according to given prescriptions, the use of protective covering, irrigation through spraying or through dripping, and so forth, which were still very new things to them a few years ago, and have begun to apply them in production practice.

Cross-bred rice strains marked by a most obvious increase in output, and the technology of laying protective covering have been introduced at the quickest pace. In just few years, the area planted in cross-bred rice strains reached 135 million mu, accounting for 28 % of the total area sown with paddies. This year, the area provided with protective covering exceeded 34 million mu. Some foreign experts could not help exclaiming: A "white revolution" took place in the countryside of China in the 1980's.

The 1980's is the era marked with a great surge in the development of China's agriculture.

Progress Being Stimulated [subhead]

"Those who are tigers head uphill; those who are dragons go undersea." This was a slogan that prevailed in some areas of Hubei in the early 1980's.

"All Fujian recites the 'mountain-sea tune' and turns to the two big banks—the green mountains and the blue sea—for wealth." This was a new strategy put forward by Fujian in the early 1980's.

"Anything decided upon in the night will be acted upon by midnight." This remark by the natives of Guangdong vividly reflected the unusually joyful sense of urgency on the part of peasants that had just been allowed to contract for barren hills and beaches in the matter of development.

After the peasants obtained the power to operate on their own, this turned the craving for development to fill a void into the first prod to a great upsurge in development.

But a stimulant originating in a simple desire to fill a void had much to do with natural economic features. At this time, the market factor was introduced. With a magic pull, it whipped up a surge in development. The new surge in development in turn gave rise to a change in the rural industrial mix.

Development, given the combination of the market factor, expanded from a general void in the direction of commercial production that was highly motivated. This new trend found especially prominent expression in those southeastern coastal areas where the market had been opened up relatively early, with relatively full development obtained. These areas that likewise chanted the "mountain-sea tune" had shifted from the primary stage of going uphill to plant trees and going undersea to catch fish to the exertion of great energies in developing projects that allow high returns; shifted from "feeding on" resources to the combination of development and utilization with protection and conservation; and shifted from simple "development that follows the direction"—selling what was produced—to attention to "development that runs against the direction"—producing anything needed by the market. They also did processing at various levels allowing a rise in the value of primary products. Take Zhejiang for example. Apart from newly opening up more than 1.1 million mu of land planted in fruits and used for breeding, the whole province this year laid emphasis on the coordinated building of the production base and the processing base. Hezhou Prefecture well known for its production of tangerines had two large tangerine-processing factories in operation this year, with an annual production capacity reaching more than 40,000 tons. Zhoushan Prefecture introduced advanced breeding techniques and made full use of water bodies breeding shrimps, fish and shellfish, with each mu of water surface yielding an income of more than 150 yuan. Fujian Province that had used shoals for breeding purposes at a relatively early date had now set up more than 25,000 points for processing aquatic products, enabling the aquatic products to rise several times and even 10 times in value.

The curve indicating fluctuations in the production of agricultural and sideline products in the past few years showed that all products for which prices were liberalized had been developed relatively early at a quicker pace and in greater varieties. Their prices also tended to become increasingly stable. The pond area for the

breeding of fish increased by more than 2 million mu in 5 years from 1978 to 1983. After fixed purchase quotas were dropped in 1984 and especially after all prices were liberalized in 1985, the breeding area increased by almost 2 million mu every year. Coastal shoals in the north were a few years ago still regarded as a burden. With a booming shrimp and crab market in the past 2 years, the enthusiasm for developing shoals and ponds in the coastal area of the Bohai Sea had suddenly surged. Five coastal counties in Weifang and Huimin Prefectures of Shandong had developed only 60,000 or 70,000 mu of shrimp ponds from 1984 to 1986. This year alone, more than 100,000 mu of shrimp ponds were opened up.

In the 8 years of the responsibility system being practiced, the passion that the peasants of Guangdong had for land clearly followed the pattern of a thought-provoking shape of a saddle—"high-low-high." When the responsibility system was first practiced, the peasants of Guangdong contracted for land just as mentioned above. "Anything decided upon in the night will be acted upon by midnight." Later, with the development of town and township enterprises and various other undertakings, land cultivation showed relatively low returns. Peasants' passion for cultivation ebbed from year to year. Some areas even showed the phenomenon of land being left uncultivated. In the past 2 years, given a sharp increase in the demand for various agricultural and sideline products in the market and an increase in the prices of agricultural and sideline products, peasants again showed renewed passion for land. In the past one year, Dongguan City alone had newly added 1.78 million mu of land planted in fruit and 180,000 mu of shoals used for breeding purposes. Of course, the peasants would not lose themselves in growing money-losing crops, as in the past. Instead, they would keep an eye on the market and make production arrangements on the basis of market needs.

The market also has an effect on the behavior of the department in charge of agricultural development. Commodity bases built with state support were confined only to 60 grain-producing counties a few years ago. This year, 356 counties were involved, with 164 items accounted for. Of the bases, more than 40 % were production bases involving well-known fruit varieties.

It Is Just the Beginning [subhead]

Compared with some countries with rich resources and relatively small populations, our country's per capita share of resources really cannot be considered large. But as far as the degree of development is concerned, there is still unusually large potential to be tapped in our country.

Let us first take up land affected by the most acute shortage. It was formerly estimated that our reserves in cultivate land that could be tapped reached only 120 million mu. But the latest survey by a national land control department showed that discarded land resulting

from national mining and residues from power plants reached about 20 to 30 million mu. Most of such land after being transformed could be restored for use. Odd pieces of land and unused land in the countryside that had traditionally been not accounted for totalled not less than 40 million mu. The combination of the three sources could reach the grant total of 200 million mu. In addition, our country still had 5 billion mu of grassy slopes and grassland, 1.5 billion mu of hills, mounds and deserted slopes, 260 million mu of inland water surfaces, and 36 million mu of coastal shoals. Quite a large part of these areas is in a state of development. Even in Jiangsu Province with a relatively large degree of development, of about 9 million mu of shoals, more than 5 million were still not opened up. Of 24 million mu of inland water surfaces, up to 10 million mu were still semi-idle. In the suburban areas of 46 large and medium-sized cities of the country, 3.2 million mu of low-lying and deserted land could still be converted into ponds for fish breeding.

There is still greater potential where development in depth is concerned. Now, of our country's cultivable land, two-thirds is in the category of fields with medium and low yields. Many facts show that tremendous potential not hard to tap exists, as far as such land is concerned.

The same is true of fresh water breeding. The country had 20 million mu of ponds with an average per-mu yield of only 100 kilograms, while at least 500,000 mu of fish ponds thereof accounted for a per-mu output exceeding 500 kilograms. This year, the country's area of paddies fields used for fish breeding was less than 4 % of the total area of rice fields.

Despite the dual restraints of grain production and grassland degeneration, animal husbandry is in no way hopeless. Relevant specialized personnel pointed out that the tangerine stalk is an extremely precious source of fodder. Our country can produce about 500 million tons of tangerine stalks a year. If just 40 % of them are ammoniated and turned into digestible fodder that ruminants like to eat, then 135 million head of cattle can be raised, a figure triple the existing total number of cattle throughout the country. Last year, our country ammoniated only 40,000 tons, a quantity less than 1/10,000th of the total volume of tangerine stalks. Therefore, some experts drew a significant analogy. Henan grew more than 11 million mu of wheat a year. With their ears sheared, the stalks made a rolling expense of grassland!

The greatest potential lies in the potential of policy. Just as the surge in development that has now just begun is a result of a series of correct policies, if we can continue advancing in this direction, concentrate on the development of productivity in all matters and use various more effective measures to create a more favorable environment for development, and further arouse the enthusiasm and creativity of millions upon millions of peasants, then a more spectacular new situation can surely appear in the development of agriculture.

Control of Organizational Purchasing Urged
*OW010947 Beijing XINHUA in English 0235 GMT
1 Dec 87*

[Text] Beijing, December 1 (XINHUA)—To control the expansion of consumption funds, it is necessary to first control the purchasing power of social groups, an official said here today.

In the first 10 months of this year, he said, the purchasing power offices, organizations, enterprises and institutions went up 20.2 percent over the same period of last year, compared with 16.5 percent for individual residents.

He noted that the country's social groups' purchasing power increased nearly 250 percent from 13.47 billion yuan (about 3.64 billion U.S. dollars) in 1977 to 46.2 billion yuan last year, double the increase rate of financial resources.

State money was used ostentatiously by some officials for putting luxurious houses, buying deluxe cars and giving banquets, he said.

The number of cars in China increased by nearly 300,000, most of them exported, over the past five years. The expenditure on cars came to more than three billion yuan annually.

"People hope that leaders in party and government offices will take the lead in checking this trend toward high consumption," he said.

'Four Categories' of Investment Reform Viewed
*HK301351 Shanghai SHIJIE JINGJI DAOBAO
in Chinese 16 Nov 87 p 2*

[Report by staff correspondent Yang Xiaolin (2799 1420 2651) based in Beijing: "How is the Reform of the Investment Structure To Be Carried Out?"

[Text] A few days ago, the China Investment Association held its second theoretical forum on investment in Yantai to thoroughly explore ways of successfully conducting reforms in such areas as the capital construction fund system and effectively raising returns on investment. The views of the economic community on the reform of the investment structure can be summed up into four categories.

The first opinion holds that as supporting measures to implement the capital construction fund system, specialized investment companies should be set up under the management of the State Planning Commission and a strict investment and project-contracting responsibility system established. Specialized investment companies are supposed to contract for key development projects from the state and to manage the issue and recovery of project investment funds in accordance with the principle of linking input with output.

The second view maintains that setting up specialized investment companies rationally and making a clear definition of the relationship between investment companies and the Construction Bank is the key to the reform of the capital construction fund system and the sound management and use of construction funds. Specialized investment companies should be put under the management of the Construction Bank. In accordance with the State Council's instruction that investment companies should not be government-run, monopolistic, and all-embracing, it is advisable to set up investment companies specializing in areas such as energy, communications, raw and semifinished materials, and agriculture. Such companies should be allowed to compete with one another in making investments in all trades. An investment company is an economic entity with independent business accounting and independent management and should not be run as an administrative unit or an indirect fund-raising financial institution. It is only through buying the shares of certain enterprises that an investment company can participate in the enterprises' management and obtain the rights to distribute products and get profits in accordance with the the number of shares it held. The relationship between investment companies under the Construction Bank and the bank itself is one of borrowing and lending money. The Construction Bank grants loans to an investment company according to the state plan and the latter uses them to buy the shares of enterprises and is responsible for the repayment of the loans' capital and interest. To fully exploit the role of investment companies in various fields of endeavor, it is no longer necessary to establish a general company for state construction investment to avoid formation of another new administrative leading organization and controls by departments at different levels in disguised form.

The third school suggests that the Construction Bank be turned into an investment bank specially responsible for controlling investment. This will be more effective than establishing investment companies outside the Construction Bank. To develop the planned commodity economy, it is necessary to establish a macroeconomic control system with indirect controls as the predominant factor, under which one crucial point is to put the total amount of investment under control, a task which cannot be performed by a specialized investment company. Therefore, it is not appropriate to set up any new institutions outside the existing ones. The setting up of specialized investment companies under the management of the State Planning Commission is detrimental to the establishment of the macroeconomic control system with indirect controls as the predominant factor and will lead the investment structural reform astray. In addition, as the fact that enterprises make their own investment and ensure their profits will increase progressively presupposes the current implementation of the contract managerial responsibility system, once investment companies control the investments of all enterprises, this may possibly defuse the vitality of enterprises and stifle the contract system. Meanwhile, not being the direct

operators of enterprises, investment companies can only manage the enterprises' amount of investment and thus they are unable to make a correct judgment on the investment projects in various trades. This will mean setting up additional administrative organizations managing enterprises.

The fourth theory contends that as the sole institution directly under the State Council in charge of controlling the scope of investment, the Construction Bank should free itself from interference by other institutions. As the departments concerned of the State Council pointed out, the formation of capital construction funds does not mean turning the Construction Bank into a specialized bank exclusively responsible for the management of the funds. Instead it should concurrently perform the functions of an investment and development bank on the current basis of operations. Transferring the rights to make decisions on investment projects and to grant credits from the administrative organizations which do not assume economic responsibility to the Construction Bank and establishing a system of investment with compensation using the forms of making investment through share purchases and extending credits are the key to further carrying out the reform of the investment structure at present. Since the scale of capital construction and the readjustment of the extra-budgetary capital construction funds by the Construction Bank are no longer governed by the Central Bank's monetary policies, neither the Central Bank nor the Ministry of Finance and the State Planning Commission can manage them any more. The Construction Bank is not entitled to ask the Ministry of Finance to pay more energy and communications funds and to ask the People's Bank of China to boost investment by issuing more currency. The only thing it can do in increasing investment is raise funds from the community, issue bonds at home, and absorb bank savings. This will help balance financial revenues and expenditures and stop the practices of undertaking construction by issuing currency.

Construction Industry Tender System Improved
HK010939 Hong Kong ZHONGGUO XINWEN SHE
in Chinese 1329 GMT 27 Nov 87

[Text] Fuzhou, 27 Nov (ZHONGGUO XINWEN SHE)—"The adoption of the tender system in China's construction projects has achieved positive results and opened a correct development orientation, but a real tender market has not been formed. So it is ardently hoped that this system will be further improved and reformed." This is the common hope of the managers who attended the fourth annual meeting of the research association for construction enterprise management work, which is now in session in Fuzhou.

The managers attending this annual meeting are from more than 100 construction enterprises in China, many of them famous construction companies. They have participated in some well-known large-scale construction

projects, such as the White Swan Hotel in Guangzhou and the Jinlin Hotel in Nanjing. Now, they are carrying out enterprise reforms by adopting the contract system.

The managers unanimously pointed out that in recent years, China's construction market has been opened and has introduced competitive mechanisms. These measures have achieved marked results in breaking through the previously ossified economic structure. On the other hand, they hold that many problems must be solved in order to advance the tender and contract system. For example, relations between the state and the enterprises have not been rationalized; and administrative intervention still shackles the initiative of the enterprises. It is said that the losses caused by construction delay in the whole country amounted to as much as billions of yuan. In addition, the employment system is related to many other systems and departments, and the enterprises themselves cannot make arrangements for redundant workers. There are still many difficulties for advancing the reforms, and many large and medium-sized enterprises still must shoulder heavy burdens.

The tender system has enlivened the construction market. However, due to the lack of management experience and the imperfection of the legal means concerned, a real tender market has not taken shape. In many cases, although tenders were invited openly, the contractor had been decided in private, and this did not guarantee equal opportunity for all competitors. The protectionist attitude of some localities and departments has also hindered the development of the construction enterprises to a higher level. A particularly serious problem is that the work quality of some construction teams organized by individuals was inferior, and they lacked proper management. This disturbed the construction market.

Government To Increase Teachers' Wages
OW011116 Beijing XINHUA in English 1617 GMT
30 Nov 87

[Text] Beijing, November 30 (XINHUA)—The Chinese Government has decided to increase wages of its seven million nursery, primary and secondary school teachers, according to a circular issued by the State Council which was made public here today.

The circular said that the increase of ten percent of teachers' average annual income starts from October this year. The increase will make the teachers' annual income higher than that of the workers and staff members.

The circular said that the wage increase covers those teachers working in nursery schools, regular, agricultural and vocational middle schools, technical secondary schools, work-study and special education schools as well as primary education schools for adults.

The wage raise for teachers working in the enterprise-run nursery, primary and middle schools will be decided by the enterprises themselves, according to the circular.

Commenting on the decision, Zhao Dongwan, minister of labor and personnel, said that the development of education has a bearing on economic development, scientific and technological advances and the improvement of the quality of the whole nation.

He said, as primary and secondary education is the foundation of the country's education as a whole, it is necessary to increase the wages of primary and secondary school teachers.

Zhao emphasized that from now on, the wages for college graduates who choose teaching as their occupation should be higher than those working in other sectors. This aims to make teaching an occupation respected by the entire society.

To improve their social positions and living conditions, the government has increased the wages of the teachers twice over the past few years and offered subsidies to teachers.

Although the increase is limited, the minister said, the government has already made its best endeavor in terms of its financial capacity.

With the growth of the country's economic strength and state revenue, the wages for primary and secondary school teachers will be further increased, he believed.

'Harvest Plan' Scores Initial Success

HK010644 Beijing CHINA DAILY in English
1 Dec 87 p 1

[By staff reporter Guo Zhongshi]

[Text] The "Harvest Plan," China's biggest move to spread agricultural technology in the country's vast rural areas, has scored an initial success since it started earlier this year.

To date, the ambitious scheme, which was mapped out by the Ministry of Agriculture, Animal Husbandry and Fisheries and the Ministry of Finance, has reached all the provinces and autonomous regions except Qinghai Province and Tibet.

An official of the Science and Technology Department in the Ministry of Agriculture, Animal Husbandry and Fisheries, told *China Daily* yesterday that the plan is expected to increase the grain harvest by 1.6 billion kilograms. Other expected increases are 61.66 million kilograms of ginned cotton, 1.04 million kilograms of rubber, 2.70 million kilograms of milk and 12.66 million kilograms of aquatic products.

Covering a total sown area of 2.7 million hectares, projects now under way are expected to produce an extra income of more than 1.6 billion yuan (about \$430 million), 15 times the total investment, he said.

Almost all the projects built under the plan have reached or passed their targets, said the official. Intensified efforts will be made to further popularize the plan next year, he added.

The ministry has already signed 136 contracts with local governments to reinforce the technology.

In Yibin region, Sichuan Province, more than 67,000 hectares of high-yielding rice are expected to turn out an extra 50 million kilograms under the "Harvest Plan."

Vice-Minister Chen Yaobang of the ministry said the country is expected to reap another harvest of 400 million tons this year even though world grain output is 4 percent below last year's figure.

With the help of strategic policies and the latest agro-techniques, the problem of food shortages will be alleviated despite the country's growing population and decreasing amount of arable land, he said.

As part of the State effort to upgrade agriculture, the "Harvest Plan" will push technology advances through the establishment of technology bases and information centres.

An official of the ministry said that the five provinces of Jilin, Hebei, Gansu, Anhui and Zhejiang alone have trained more than 1 million farmers in agro-technique courses.

To ensure the overall success of the plan, the ministry has linked hands with the China Bank of Agriculture, and China Science and Technology Association in urging local agricultural banks to give preferential loan and credit treatment to the projects under the plan.

Special organizations have been set up to provide guidance and consultations, he said.

Virologist on AIDS Control, Prevention

HK301031 Beijing GUANGMING RIBAO in Chinese
22 Nov 87 p 1

[Report by Fan You (5400 0642): "Virologist Zeng Yi Makes Three-Point Suggestion on How To Prevent and Control AIDS"]

[Text] In a recent press interview, virologist Zeng Yi, who is also deputy director of the China College of Preventive Medicine, gave his opinion on preventing and controlling AIDS in our country. He said: According to the results of preliminary serum epidemiological investigations, AIDS was brought into China through serum products and infected some hemophiliac patients. Fortunately, no positive AIDS antibody reaction has been found in other major groups of people who are prone to be infected with this disease. However, some foreign visitors entering China have been found to be carrying the AIDS virus.

In view of this situation, Professo. Zeng Yi proposed: First, in order to prevent the spread of AIDS through blood and blood products in our country, the authorities should strictly ban the import of all blood products. All blood centers should monitor more intensively the AIDS virus in blood, eliminate blood which has been contaminated with

the AIDS virus, and strictly sterilize all hypodermic syringes, needles, and acupuncture needles. Second, we should further strengthen testing and examination for the AIDS antibody. Third, promiscuity may be the most dangerous channel through which AIDS is spread into China. So we must strictly ban prostitution activities.

East Region

Shandong CPPCC Committee Meeting *SK301148 Jinan Shandong Provincial Service* *in Mandarin 2300 GMT 29 Nov 87*

[Text] The 23d Standing Committee Meeting of the 5th Shandong Provincial CPPCC Committee opened on 28 November at Nanjiao Guesthouse in Jinan. This meeting is mainly devoted to studying and implementing the guidelines of the 13th National Party Congress and adopting corresponding resolutions; relaying and studying the speech made by Comrade Zhao Ziyang at the tea party of nonparty figures held by the CPC Central Committee; consulting and deciding the namelist of members of the Sixth Shandong Provincial CPPCC Committee; and adopting some personnel appointments.

Li Zichao, chairman of the provincial CPPCC Committee, presided over the meeting and delivered a speech. He stressed: We should further understand the important significance of the expositions made by Comrade Zhao Ziyang in his report on strengthening the self-construction of the CPPCC and the cooperations among various parties under the leadership of the CPC with an aim to regularize political consultation and democratic supervision. Meanwhile, we should further define the orientation of united front work and the important historic mission shouldered by the CPPCC at the initial stage of socialism. Under the banner of building socialism with Chinese characteristics and the patriotic banner of unifying our motherland and revitalizing China, we should unite all forces that can be united and mobilize all positive factors to make still greater contributions to promoting the province's economic construction, the reform and opening up, and the unification of our motherland.

Participating in the meeting were vice chairmen of the provincial CPPCC Committee, including Zhou Xingfu, Zhou Zhenxing, Guo Yicheng, Xu Meisheng, Zhang Weicen, Xu Wenyuan, Kong Lingren, Ding Fangming, Jin Baozhen, Liu Yong, and Yang Da.

Shandong's Liang Buting Talks With Peasants *SK010952 Jinan Shandong Provincial Service* *in Mandarin 2300 GMT 30 Nov 87*

[Excerpts] On the afternoon of 30 November, responsible comrades of the provincial party committee and the provincial government, including Liang Buting, Lu Maozeng, Jiang Chunyun, Miao Fenglin, and Ma Zhongchen, held direct dialogue with more than 50 peasant entrepreneurs who had been invited to attend a forum sponsored by the General Office of *Dazhong Ribao* to exchange experiences in studying the documents adopted at the 13th Party Congress and to jointly study the issues concerning developing village enterprises and the rural commodity economy. [passage omitted]

Responsible comrades of the provincial party committee and the provincial government first extended greetings to the peasant entrepreneurs from various localities of the province, fully affirmed the important role of village enterprises in development of the province's economy and the peasant entrepreneurs' important contributions in developing village enterprises, and encouraged them to swim bravely in the sea of the market and to play an exemplary vanguard role in developing the rural commodity economy. [passage omitted]

During the dialogues, some peasant entrepreneurs suggested that the province should create some convenient conditions for developing village enterprises. Jiang Chunyun, deputy secretary of the provincial party committee and acting governor of the province, said: The province should open more green lights and have fewer yellow lights and no red lights for village industrial enterprises. Relevant departments should try every means possible to support village enterprises and to open avenues for village enterprises' development.

The peasant entrepreneurs who attended the dialogue activities also asked higher-level governments to maintain the stability of policies on development of town and township enterprises. Some peasant entrepreneurs also asked responsible comrades about the prospects of private enterprises. The responsible comrades of the provincial party committee and the provincial government answered their questions.

Central-South Region

Guangxi's Chen Huiguang Meets Students *OW272348 Beijing XINHUA Domestic Service* *in Chinese 0636 GMT 23 Nov 87*

[Excerpts] Chen Huiguang, secretary of the Guangxi Zhuang Autonomous Regional CPC Committee; Hou Depeng, member of the Standing Committee and director of the Propaganda Department of the autonomous regional party committee; and Zhong Jiazuo, member of the Standing Committee and secretary general of the autonomous regional party committee; attended a forum on a university campus on the afternoon of 21 November. The forum was held by the autonomous regional Education Department to study the guidelines of the 13th CPC National Congress. At the forum, they had direct dialogues with more than 40 students of Guangxi University, Guangxi Agricultural College, and Guangxi Institute of Nationalities and discussed what should be done to promote reform and opening to the outside world and how to accelerate Guangxi's economic construction.

Everyone was eager to air his views in the forum, which was conducted in an atmosphere of harmony.

The topic that interested the students most was the theory of the initial stage of socialism, put forth at the 13th CPC National Congress. Before the forum, they had

already held several discussions on this question in light of the actual conditions in Guangxi. At the forum, many students asked with true concern why Guangxi is economically behind the rest of the country. Chen Huiguang replied: Guangxi's economy has developed considerably well in the more than 30 years since the founding of New China, particularly since the 3d Plenary Session of the 11th CPC Central Committee. However, in terms of per capita output value, Guangxi still remains fairly backward. [passage omitted] Now we have become aware of our problem. It is also necessary to see the favorable side of Guangxi. As long as we seriously implement the guidelines of the party congress, proceed from Guangxi's reality, do a solid job, unite as one, and work with one heart and one mind, I am confident that Guangxi's economy will catch up with the rest of the country. We must have this confidence. This should also be the responsibility of you young people. As the old saying goes, every man has a share of responsibility for the fate of his country.

Separating party and government is the key to the reform of the political structure. Many students could not wait to ask the leading comrades of the autonomous regional party committee how the committee will carry out its role after the separation of party and government has been adopted and what Guangxi feels about this. Chen Huiguang and Zhong Jiazuo answered this question. They said: Party leadership is political leadership. A party committee will focus its attention on important issues involving policies and principles, and on party building, ideological and political work, and key cadres appointment recommendations. It will no longer monopolize all administrative affairs. Rather, it will give full scope to the functions and powers of the administrative departments as well as the role of all mass organizations. What will Guangxi do to implement the guidelines then? The autonomous regional party committee plans to pay attention first to the separation of party and administration in the enterprises and make sure the director responsibility system is well established. Next, it will straighten things out concerning party committees at various levels where there obviously is no distinction between party and government and where the party is acting as the government and in the establishment of organizations where party organizations duplicate or overlap that of government.

Another important issue that concerned the students is the portion of the party congress documents dealing with education. Noting that Comrade Zhao Ziyang said in his report that "education is of fundamental importance to the fulfillment of our great long-range mission," they pointed out that education in Guangxi remained very backward and wondered what the autonomous regional party committee plans to do about this in the future. In reply, Comrades Chen Huiguang and Hou Depeng said: Education is indeed very important. The autonomous regional party committee is also stressing the strategic role of education. The first step being taken by Guangxi is to increase investment and increase education funds as

much as possible and as far as its financial resources permit. [passage omitted] The second step is to strengthen basic education in secondary and primary schools, vigorously develop vocational education, and popularize 9-year compulsory education where conditions permit. In addition, we will take steps to promote education among minority groups.

The students and the comrades of the autonomous regional party committee also discussed such topics as pay for intellectuals, CYL work on campus, and prices. The students are very confident that they can implement the guidelines of the 13th CPC National Congress and are determined to make contributions to revitalizing Guangxi's economy.

Hunan Leader on People's Congress Deputies
HK280357 Changsha Hunan Provincial Service
in Mandarin 0100 GMT 26 Nov 87

[Excerpts] The 28th meeting of the 6th provincial People's Congress Standing Committee held its 3d plenary session yesterday morning. Qi Shouliang, vice chairman of the provincial People's Congress Standing Committee, briefed committee members on the preparations made for the election of the provincial People's Congress. He said: In accordance with the decision made by the fifth session of the sixth provincial People's Congress on principles regarding the number of deputies to the seventh provincial People's Congress, and directions as to the election of such deputies, the quotas of deputies to be elected have already been distributed to 64 electoral units. To do a still better job in giving full play to the role of people's congresses in all areas, while considering and discussing their candidate lists, attention must be paid to recommending those people who have the following qualities: A relatively strong sense of democracy; an ability to participate in and discuss government and political affairs; a fairly high educational level; an ability to read and understand documents; and the capability to reflect the people's opinions and demands and actively do their duty as deputies. We must not regard the post of people's congress deputy as an honorary one, nor must we give preferential treatment to any candidates for people's congress deputy posts. Regarding the election of deputies to the people's congress, we must not lay down any hard and rigid rules regarding the composition or the proportion of candidates, but must uphold multiple-candidate elections according to law. [passage omitted]

Chen Xinmin, vice chairman of the provincial People's Congress Standing Committee, presided over the session. Attending the session were Huang Daoqi, Ji Zhaoqing, Luo Qiuyue, Xu Tianguai, Kong Anmin, and Li Tiangeng, vice chairmen of the provincial People's Congress Standing Committee.

Hunan Committee Discusses Price Stability
HK290840 Changsha Hunan Provincial Service
in Mandarin 0100 GMT 26 Nov 87

[Text] On the afternoon of 24 November, Chen Bangzhu and Yang Huiquan, vice governors of the provincial

government, conscientiously listened to incisive criticisms of the currently runaway commodity prices made by members of the provincial People's Congress Standing Committee who are attending the 28th meeting of their 6th committee. Vice Governor Yang Huiquan said: The provincial government is determined to have commodity prices under control.

The members noted: The current rise in commodity prices has something to do with faults in policymaking in a macrocosmic sense as well as the chaotic management of markets. Why is it that the peasants are (?unwilling) to plant grain crops, that some some peasants do not raise pigs, and that some vegetable growers do not grow vegetables? Governments at all levels should attach importance to these issues. In their appeal, the members said: The rise in commodity prices has surpassed the people's psychological endurance. The government must adopt effective measures to control the rise in commodity prices.

After listening to the criticism, Vice Governor Yang Huiquan said: The provincial government will adopt vigorous measures to control the demand and increase the supply of commodities. On the premise of ensuring the supply of funds for payment purposes, for purchasing agricultural and sideline products, as well as for purchasing agricultural production materials and industrial raw and processed materials, our banks must reduce the supply of funds for other purposes. Regarding the vegetable issue, we are planning to grow an additional 45,000 mu of vegetables. Grain subsidies for growing additional vegetables have already been appropriated. All counties and cities must finish allocating such grain subsidies during this winter or before the end of next spring. It is imperative to protect the existing vegetable plots. The provincial government has formulated measures for the management of specialized vegetable plots. The measures will first be tried out for a period of time prior to submitting them to the provincial People's Congress for legislation. The provincial government has already conscientiously studied issues regarding the rise in the prices of the necessities of life and production.

Vice Governor Yang said: From now on, our work concerning commodity prices will center on maintaining the basic stability of both the prices of non-staple food for urban residents and the prices of production materials for rural areas.

Southwest Region

Guizhou CPPCC Standing Committee Meets
HK300114 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 26 Nov 87

[Excerpts] The 27th meeting of the 5th provincial CPPCC Committee Standing Committee concluded yesterday [26 November] afternoon. The meeting unanimously adopted the resolution on the study and implementation of the spirit of 13th CPC National Congress

and the resolution of the 5th Guizhou Provincial CPPCC Committee Standing Committee on the plan for the organization of the 6th Guizhou Provincial CPPCC Committee. [passage omitted]

Song Shugong, Li Xiangong, and Chu Zhenmin, vice chairmen of the provincial CPPCC Committee, presided over yesterday afternoon's closing meeting. Miao Chunting, chairman of the provincial CPPCC committee, spoke at the conclusion of the meeting.

Vice chairmen and Standing Committee members of the provincial CPPCC Committee and responsible persons of departments concerned, including Wang Fuqing, Tang Hongren, Mao Tieqiao, Wang Qingyan, Meng Sufen, Wang Jingyuan, (Wang Youqing), (Xiang Yingjie), (Wan Shixiong), and (Feng Lan), spoke at the meeting.

Guizhou's Hu Jintao Meets Factory Directors
HK290914 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 26 Nov 87

[Text] The fourth annual meeting of the China Society for Study of the Work of Factory Directors and Managers opened at the Guizhou aluminum plant yesterday [26 November] morning. Hu Jintao, secretary of the provincial party committee; Ye Zhiqiang, former vice chairman of the Board of Directors of China National Non-ferrous Metals Industry Corporation; (Zhong Jiamao), deputy director of the Beijing Branch of UN ILO; and leading comrades of the Guizhou provincial Advisory Commission, provincial government, provincial Economic Commission, and Guiyang city government are attending this annual meeting. Others attending this annual meeting are members of the first council of the China Society for Study of the Work of Factory Directors and Managers; representatives of all members of the society; comrades of theory circles, press circles, universities, institutes, and relevant departments of the State Council; and specially invited representatives, totaling some 400 people.

The central tasks of the 4th annual meeting of the China Society for Study of the Work of Factory Directors and Managers are to seriously implement the spirit of the 13th CPC National Congress, to explore the method to deepen reform of the enterprises, to exchange experiences in reform, to revise the articles of the society, and to elect the second council.

Liu Yulin, vice governor, and Liao Haibo, vice mayor of Guiyang City, spoke at the opening ceremony.

Sichuan's Yang Rudai on Pork Production
HK010807 Chengdu Sichuan Provincial Service
in Mandarin 0100 GMT 27 Nov 87

[Excerpts] According to *Sichuan Ribao*, during his investigation yesterday into the pork issue in Pixian County, Yang Rudai, secretary of the provincial party committee, said: In the face of the current pork issue, our urban

residents, pig-raising peasants, and pork business departments must achieve mutual understanding, support one another, share responsibilities, and make joint efforts to tide over the difficulty in the transformation of the pork production and sales system. [passage omitted]

Comrade Rudai said: Urban residents complain that pork is expensive, while pig-raising peasants complain that pork sells cheaply. This contradiction must be properly resolved. In addition to adopting policy measures to resolve the excessive cost of intermediary links as well as to eliminate the unhealthy tendency within the pork circulation channels, our pig-raising peasants, pork consumers, and pork business departments must achieve mutual understanding and accommodation, avoid being biased against others, and make joint efforts to share more responsibilities. By so doing, our reform of the pork production and sales system will stand a very good chance of success.

(Zhong Bingzhi), head of a pig-raising specialized household from (Koujia) village, (Tongjin) township, told Comrade Yang Rudai: The quality of mixed feed is no longer as good as in the past, with the result that raising pigs now requires more grain.

Comrade Rudai said: It seems that feed is the key link that restricts pig-raising development. It is imperative to ensure the quality of mixed feed. Lowering the quality of mixed feed to entrap pig-raising peasants in a difficult situation is forbidden. It is also imperative to study through scientific and technical means the issue of using grain for raising pigs.

Comrade Rudai added: The way out for increasing the commodity rate of pork lies in energetically developing large pig-raising specialized households. Resolving the pork shortage in urban areas depends on having large pig-raising specialized households. The development of the pig-raising industry in our province remains steady. However, if we do not energetically promote pig production from a long-term point of view, Sichuan's edge in pig production may possibly be lost.

Xizang Leaders Attend, Address Meetings
HK300124 Lhasa Xizang Regional Service in Mandarin
1130 GMT 25 Nov 87

[Excerpt] On the afternoon of 24 November, the autonomous regional association for science and technology organized representatives of Xizang's scientific and technological circles to hold dialogue with leading comrades of our autonomous region on issues concerning the study of the spirit of the 13th National Party Congress as well as ways to devote major efforts to developing science and technology in the region.

Attending the meeting to hold dialogue were Mao Rubai, Dangzin, and Hu Songjie, leading comrades from the autonomous regional party and government organizations, as well as Huokang Suoshu Bianba, vice chairman of the autonomous regional CPPCC Committee. [passage omitted]

Northeast Region

Heilongjiang People's Congress Meeting Ends
SK280830 Harbin Heilongjiang Provincial Service
in Mandarin 1000 GMT 27 Nov 87

[Text] After a 5-day session the 30th Standing Committee Meeting of the 6th Heilongjiang Provincial People's Congress concluded on 27 November.

During the meeting, the members first studied the documents adopted at the 13th CPC Congress; and by bearing in mind the actual situation in the congress work, held earnest discussions on the theory of the initial stage of socialism, the party's basic line, conducting reforms in the political system, and on further improving socialist democracy and politics.

During the meeting the members heard and discussed the provincial draft regulations on minority townships; the report concerning family planning work; the report on the results scored in examining the motions raised by deputies; the report on dealing with suggestions, criticism, and opinions raised by deputies; the work report on conducting end-of-term elections; and the report on carrying out procuratorial work in line with the law.

(Wang Qing), vice chairman of the provincial People's Congress, presided over the meeting on the afternoon of 27 November, at which members adopted the decision on convening the first session of the seventh provincial People's Congress by a show of hands and applause, the regulations on management over collectively and individually owned mining enterprises, the decision on doing better work in conducting family planning, and the namelist of personnel changes.

During the meeting, Li Jianbai, chairman of the provincial People's Congress, delivered a speech on the issue of studying and implementing the spirit of the 13th CPC Congress, in which he emphatically pointed out: Efforts should be made to implement the congress spirit in a down-to-earth manner by bearing in mind the actual situation of congress work. The report at the 13th CPC Congress has deeply expounded the issues of building socialist democracy and politics, enhancing the building of socialist democratic legal systems, and of improving the people's congress system. All this has provided a clear direction for succeeding in conducting the work of the people's congress. This indicates that the burden of the people's congress becomes heavier and its duty becomes larger. Therefore, we should do a very good job in understanding and mastering the spirit of these documents; by carrying out investigation and study and

formulating concrete plans for implementation, should enforce the guidelines of these documents step by step and in a planned manner; and should make new contributions to enhancing the building of socialist democratic legal systems and improving the people's congress system. Attending the meeting were vice chairmen of the provincial People's Congress, including Wei Zhimin, Wang Jinling, Wang Pili, He Shoulun, and Zhang Ruoxian.

Attending the meeting as observers were Chen Yunlin, deputy secretary of the provincial party committee and vice governor of the province; and responsible persons from the departments and bureaus concerned, from the standing committees of city and county people's congresses, and from the offices under the prefectural people's congresses.

Heilongjiang Decides 7th Congress Session
SK290715 Harbin Heilongjiang Provincial Service
in Mandarin 2200 GMT 27 Nov 87

[Text] The 30th Standing Committee meeting of the 6th Heilongjiang Provincial People's Congress adopted a decision on 27 November with regard to convening the first session of the 7th provincial People's Congress.

The first session of the seventh provincial People's Congress is scheduled to open in Harbin City in mid-January 1988.

Heilongjiang's Sun Weiben, Writers Meet
SK301136 Harbin Heilongjiang Provincial Service
in Mandarin 1000 GMT 28 Nov 87

[Text] On the afternoon of 28 November, Sun Weiben, secretary of the provincial party committee, and relevant leading personnel from the Propaganda Department under the provincial party committee sponsored a forum with the participation of 10 professional writers in the province to discuss the issues writers care about most.

During the forum Comrade Sun Weiben stated: Our province is endowed with rich natural resources. The key to turning the superiority of natural resources into a superior economy lies in upgrading personnel quality. As for the issue of how to upgrade personnel quality, the report adopted at the 13th CPC Congress has set forth clear tasks in the fields of science, technology, literature, and art. The role played by literature and art in upgrading the quality of personnel and enhancing reserve strength in work cannot be measured by economic value.

During the forum, writer (Liu Yazhou) stated: There was so much leftist interference in literature in the past that writers now hope that leadership over literary and art work will respect the law originated in literature and art. In response, Comrade Sun Weiben stated: Leadership should provide generous and convenient conditions for

those who are turning out spiritual products and may follow the method adopted by the Beijing authorities in formulating the provisions of providing convenient conditions for artists.

During the forum, writer (Zhang Kangkang) put asked about realizing the separation between party affairs and administration work among mass organizations. In answering her question, Comrade Sun Weiben stated: The relationship between the party and the mass organizations should be rationalized. In rationalizing this relationship, main attention should be paid to having mass organizations play their role independently, guide their members to build their business, and represent the interest of their members.

During the forum the writers also presented to Comrade Sun Weiben the practical difficulties they encountered in both livelihood and work. He also solicited their opinions on working out ways and means to overcome these difficulties.

Heilongjiang Telephone Conference on Grain
SK300910 Harbin Heilongjiang Provincial Service
in Mandarin 1000 GMT 26 Nov 87

[Text] This afternoon the provincial government held a provincial telephone conference on grain purchasing to mobilize all localities to further speed up the progress of storing soybeans and wheat and to guarantee the fulfillment of the state purchasing task by mid-December.

Since the convocation of the provincial grain work conference, all localities have firmly grasped grain purchasing and storage tasks. So far, the province as a whole has laid up 1.5 billion kg of grain, fulfilling nearly one-third of the storage task.

Vice Governor Du Xianzhong called on all localities to race against time, try to gain the initiative, and rapidly bring about an upsurge in laying up grain. He said: Our province has reaped a bumper grain harvest this year and has a good material foundation. All localities should speed up the storage of wheat and soybeans in line with different conditions. Counties that have fulfilled the wheat and soybean storage targets should continue to grasp the work of making each household fulfill the wheat and soybean contracts, and urge townships and villages that have not fulfilled their contracts to fulfill the contract tasks signed in the spring. From now on, counties that have shouldered the task of handing paddy rice to the state should grasp soybeans and wheat on the one hand while grasping paddy rice on the other. All localities must strive to fulfill the task of selling paddy varieties to the state.

Vice Governor Du Xianzhong said: The weather is getting cold now. We should make early preparations for purchasing corn. Corn producing areas should actively collect corn with a high moisture content according to their drying capacity. Areas where corn production is not

concentrated should vigorously lay up corn in the principle of striving not to ruin grain. Governments at all levels should consider the work of improving the quality and reducing the moisture content of corn as an important task, strive to reduce the moisture content before delivering it to depots, and make thousands of households take part in the work in an effort to guarantee the safety of grain.

We should further strengthen the management of the grain and oil-bearing seed market. Industrial and commercial departments should join hands with the relevant grain, price, public security, and communications departments and adopt effective measures to guarantee the fulfillment of grain purchasing tasks.

It is necessary to manage soybean markets well all year round. Grain departments should do a good job in managing not only other units but also their own units. Before fulfilling state tasks, units subordinate to the grain departments are not permitted to purchase grain at negotiated prices. In the future, when they purchase grain at negotiated prices, they must set a price ceiling.

At yesterday's telephone conference, Binxian, Nehe, and Zhaozhou Counties introduced their experiences in firmly grasping their grain storage tasks, particularly for wheat and soybeans; improving grain quality before delivering it in depots; and reducing the moisture content of corn.

Jilin's Gao Di Meets Enterprise Personnel
SK301105 Changchun Jilin Provincial Service
in Mandarin 1030 GMT 27 Nov 87

[Text] On 26 November Gao Di, secretary of the provincial party committee; Wu Yixia, member of the provincial party Standing Committee; and responsible comrades from Changchun City's departments concerned braved the snowstorm to go deep into Changchun City's commercial district to exchange opinions on further improving the responsibility system with the leading personnel of enterprises.

That morning they went to the city's Damalu Department Store to talk with shop employees who were serving customers and to hear a briefing by (Gen Yanping), manager of the department store, on the enforcement of the responsibility system among employees. Following the briefing, comrades including Gao Di fully acknowledged the method of enforcing the responsibility system and answered some policy questions. They also encouraged the manager and employees of the department store to further emancipate their mind and to expand their service scope so as to promote the development of productive forces.

That afternoon Comrades Gao Di and Wu Yixia also went to the Changchun Department Store where they were briefed by (Fan Yuliang), secretary of the department store party committee, on the store's plan for

enforcing responsibility systems. Beginning in 1988, the department store plans to increase its profits handed over to the state from 8.7 million yuan in 1987 to 9.5 million yuan in 1988 and to enforce the responsibility system from top to bottom in the store. Following the briefing, Gao Di and other comrades contended that it is gratifying for a large enterprise like Changchun Department Store to begin enforcing responsibility systems. However, they urged the store personnel to further emancipate their minds and to enforce the responsibility systems directly among employees. In enforcing responsibility systems, preferential treatment should be first given to its own employees; outside personnel are also allowed to sign business contracts.

During their visit, these leading personnel also made arrangements on the spot for the distribution of industrial and commercial taxes in line with the principle of conducting reforms.

Northwest Region

Shaanxi Studies 13th Congress Documents
HK280339 Xian Shaanxi Provincial Service
in Mandarin 0030 GMT 27 Nov 87

[Excerpts] Members of the provincial Advisory Commission met recently to concentrate on studying the documents from the 13th National CPC Congress. The meeting lasted 2 weeks. During the meeting the members studied the documents in a down-to-earth manner by taking their ideological problems and work style into serious consideration. As a result, most of them made breakthroughs in understanding, updated their concepts, and enhanced their political consciousness.

In discussions they pointed out: The clear definition that our country is in the initial stage of socialism is an important theoretical breakthrough and is a new step in the development of Marxism. This shows that our party has reached a new understanding of the situation in China and the law for the development of socialist society. This understanding has cost our party dearly and is of far-reaching significance. [passage omitted]

Referring to the question of developing the productive forces and deepening the reform the members said: Whether we put the development of productive forces in first place has a great bearing on the success or failure of our socialist cause. We ignored the development of productive forces and lost too much time addressing the problem. To accelerate the development of productive forces today we must accelerate and deepen the reform. Reform is the only process through which China can be rejuvenated and Shaanxi's economy can be revitalized. For this reason the party, the people, and all social organizations should unite as one to struggle hard together, make tremendous efforts to deepen the political and economic structural reform, and strive to build socialism with Chinese characteristics.

During the meeting Zhang Boxing, secretary of the provincial party committee, relayed the spirit of the 13th Congress and of the central working conference. Chang Lifu, a Central Advisory Commission member, attended the meeting on two occasions to make important speeches. (Zhang Fanghai), vice chairman of Shaanxi Provincial Advisory Commission, presided over the meeting and made the closing speech.

Xinjiang Nationalities Unity Rally Ends
OW280036 Beijing XINHUA Domestic Service
in Chinese 1713 GMT 24 Nov 87

[Excerpts] Urumqi, 24 Nov (XINHUA)—The Second Nationalities Unity Commendation Rally of Xinjiang Uygur Autonomous Region ended today. Representatives from the various nationalities attending the rally unanimously decided that: We must advance the unity of all nationalities under the guidance of the party's basic line of the initial stage of socialism.

The current commendation rally opened on 20 November. At the rally, the representatives cited the various achievements regarding the doubling of industrial and agricultural outputs, national income, revenue, and incomes of the urban and rural population, and the bumper harvest in agriculture and livestock farming accomplished by the autonomous region since the 3rd Plenary Session of the 11th CPC National Congress. They held that persisting in the four cardinal principles is the political foundation and developing the economy is the material guarantee for strengthening the unity among the various nationalities. The four cardinal principles can be implemented and the economy be vigorously developed only by relentlessly strengthening the unity among the various nationalities. [passage omitted]

At the closing ceremony, the party committee and the people's government of the autonomous region conferred upon Zepu County and Burqin County the title "Model County of Nationalities Unity." Wang Enmao, Ismail Amat, Song Hanliang, Tomur Dawamat and other leading comrades presented banners, medals, prizes, and honors certificates to advanced bodies and advanced individuals.

Xinjiang Leaders on Nationality Solidarity
HK300044 Urumqi Xinjiang Regional Service
in Mandarin 1230 GMT 25 Nov 87

[Text] The autonomous regional party committee this morning held a meeting of leading cadres at the prefectural and city levels and departmental and bureau levels to make arrangements for conveying and implementing the spirit of the second autonomous regional meeting to commend progressives in promoting nationality solidarity.

In his speech at the meeting, Song Hanliang, secretary of the autonomous regional party committee, first briefed the participating leading cadres on the second autonomous regional meeting to commend progressives in promoting nationality solidarity, saying: The meeting to commend such progressives ended with complete success and achieved the desired and hoped-for results. To conscientiously and successfully convey and implement the spirit of the meeting will surely exert great, profound, and far-reaching influence on achieving deeper understanding of the guiding ideology for our region's nationalities work to be carried out in the days to come as well as on developing the excellent political and economic situation in our autonomous region.

Comrade Song Hanliang said: Through conveying and studying the spirit of the meeting, we must ensure that the central spirit and the good experiences gained by advanced collectives and individuals will be spread to every corner of our society for the purpose of educating and inspiring everyone, setting off a great upsurge in learning from and catching up with the progressives, strengthening the sense of nationality solidarity in our society, and cultivating the new practice of conscientiously promoting nationality solidarity. Party organizations at all levels must act in close connection with real conditions and try to learn where they lag behind in the work of nationality solidarity through conducting studies and making comparisons. In addition, they must try to learn whether they have given first priority to the work of nationality solidarity, whether their economic work and their work of nationality solidarity are put on an equal footing, whether their leading groups have taken the lead in promoting nationality solidarity, whether they have successfully implemented the policy toward nationalities, and whether there are factors that adversely affect stability and solidarity. After successfully handling these issues, our region will surely open up still better prospects for promoting the work of nationality solidarity.

In his speech, Comrade Song Hanliang also made concrete demands on the contents of the spirit to be conveyed as well as the ways to do it.

Comrade Wang Enmao also addressed the meeting. He stressed: The work of conveying and implementing the spirit of the second autonomous regional meeting to commend progressives in promoting nationality solidarity is an important way to implement the spirit of the 13th National Party Congress. The work must be carried out under the guidance of the spirit of the 13th National Party Congress. We must develop the range and quality of the work of conveying and implementing the spirit. Through conveying and implementing the spirit of the meeting, we must promote the three important tasks: Namely, economic construction, the building of spiritual civilization, and party building.

Chiang Confirms 'No Contact' Policy
OW280523 Taipei International Service in English
0200 GMT 26 Nov 87

[Text] President Chiang Ching-kuo reaffirmed the government policy of no contact and no negotiation with the Chinese Communists and its position against an independent Taiwan. The president made the statement when supervising the regular weekly meeting of the ruling Kuomintang's policy-making Central Standing Committee as chairman of the party. Chiang said that the country has made tremendous achievements since the defeat of the invading Chinese Communist forces on the off-shore island of Kinmen in 1949 because of its insistence on these two principles.

The president also announced that the ruling party will hold its 13th congress next year to unite all freedom-loving Chinese to work for the reunification of China under the Three Principles of the People.

Spokesman Says Taiwan May Join GATT
OW300801 Taipei CNA in English 1444 GMT
27 Nov 87

[Text] Taipei, Nov. 2 (CNA)—The government of the Republic of China [ROC] is considering the possibility of rejoining the General Agreement on Tariffs and Trade to cope better with the changing international economic and trade situation, Foreign Ministry Spokesman Chen Yu-chu said Friday.

Chen said in a press conference sponsored by the Government Information Office that the nation is reconsidering its membership in GATT, one of the most important international trade organizations, because many of its decisions have a tremendous influence on the nation's economic and trade activities.

Asked under what name the ROC would rejoin the international organization, Chen said the government has not yet decided the issue. However, he said, safeguarding national sovereignty and dignity will be a top concern of the government.

The ROC was one of the original signatories to GATT founded in 1948 but withdrew in 1950. The nation began attending GATT activities as an observer in 1965 but stopped following its withdrawal from the United Nations in 1971.

Official Groups in Hong Kong 'Have To Go'
HK300751 Hong Kong SOUTH CHINA MORNING
POST in English 30 Nov 87 p 3

[By Stanley Leung]

[Text] Taiwan's official groups in Hong Kong—including China Airlines and those dealing with diplomatic and Nationalist Party affairs—are likely to withdraw from the territory before 1997.

Taipei's thinking was revealed yesterday by one of Taiwan's former legislators, Mr Pok Shan-fu, who is now the managing director of a Taiwanese magazine, *Newsdom Weekly*.

The views of Mr Pok, who was a member of a high-powered committee on Hong Kong and Macao affairs under Taipei's Executive Yuan (executive assembly) between 1981-86, are understood to mirror Taiwan's official stand on Hong Kong.

After speaking at a city forum, Mr Pok said he believed all the official and sensitive bodies—including diplomatic representatives, the Hong Kong branch of the Nationalist Party, offices dealing with overseas Chinese affairs and other state-owned companies such as China Airlines—would have to withdraw before the handover of the territory on July 1, 1997.

"Our official bodies have to go before China's flag is hanging in the territory," he added.

With the Hong Kong Special Administrative Region being controlled by a communist state, he said there would be no point in Taipei's official bodies staying after 1997 because it was Taiwan's policy not to have official contacts with mainland China.

The Taiwanese Government has not yet declared its stance on the future withdrawal of its official bodies in Hong Kong.

However, Mr Pok said some non-government bodies relating to trade, news and cultural affairs might stay in the territory after 1997 if the situation was favourable.

The Taiwan-controlled *Hongkong Times*, the *Central News Agency* and some Taiwanese companies might decide not to withdraw, pending developments over the next 10 years.

This would depend on whether China respected public opinions in Hong Kong and to the extent of control in local affairs.

Chinese leaders have said that Taiwanese bodies would be allowed to stay in the territory after 1997.

The groups would also be allowed to criticise the communist party provided this did not disrupt the reunification of China.

The "one country, two systems" concept which would give Hong Kong a high degree of autonomy after 1997 was designed to reunify China with Hong Kong, Macao and eventually Taiwan.

Mr Pok said he believed Taipei should have cultural exchanges with China in spite of the lack of official communication by Taiwan.

"I have been trying to do something to promote cultural exchanges between both sides."

Mr Pok also suggested that all Hong Kong's legislators should be directly elected by 1997 and the introduction of direct elections should start as soon as possible or in 1988.

He said if the territory waited until 1991 to start reforms there might not be enough time to democratise the political system in the run-up to 1997.

He said most public opinions opted for introduction of direct elections in 1988 although the Survey Office report had drawn a different picture.

Mr Pok told the meeting that Hong Kong people should strive for democracy.

And he said China should be more open-minded in introducing democracy and should respect people's opinions in spite of its determination to continue its open-door policy.

He added that China should be more liberal and allow direct elections for the territory in 1988.

Dissident Reported Visiting Mainland China
HK300725 Hong Kong HONGKONG STANDARD
in English 30 Nov 87 p 9

[By Chan Wai-fong and Kathy Chan]

[Text] A leading Taiwan dissident and opposition activist yesterday flew to the Mainland for a family reunion, the *Standard* has learnt.

Mr Huang Tien-fu, 50, who was released from prison February this year, is the first known political figure from Taiwan's opposition camp to visit China since the ban on Mainland visits was abolished some two months ago.

Mr Huang Tien-fu, who took a direct flight from Hong Kong to Hangzhou early yesterday, was to reunite with his eldest brother whom he had not seen for nearly 38 years.

Mr Huang's eldest brother, Dr Huang Jinbiao, is in his early sixties and is a medical practitioner specializing in gynaecology and obstetrics.

Mr Huang Tien-fu has two elder brothers, one in the Mainland and the other in Taipei. His brother in Taipei, Mr Huang Hsin-chieh, is a senior opposition leader who served eight years in jail on sedition charges until he was freed in May this year.

Mr Huang Hsin-chieh, who immediately resumed political activity after his release, is considered to be one of the most charismatic and influential leaders in the Taiwan opposition movement.

The brothers had lost contact since the eldest went on a holiday to the Mainland in 1949 and never returned.

Mr Huang Hsin-chieh and Dr Huang Jinbiao had been very close and had studied together in Japan.

Mr Huang Hsin-chieh told the *Standard* recently that he had spoken to his eldest brother on the phone and said he longed to meet the latter.

However, it is unlikely that the Mainland would allow the political leader to enter the country in view of the opposition's longstanding advocacy of independence for Taiwan.

China stepped up its attack on Taiwan's opposition Democratic Progressive Party during the past two weeks because of an attempt by the latter to incorporate a provision on Taiwan's independence in the party constitution.

Attempts to contact Mr Huang Hsin-chieh in Taipei for comments on his brother's trip failed yesterday.

Mr Huang Tien-fu is the first Taiwan opposition member to visit the Mainland since 1949 and his trip is likely to prompt other opposition figures to follow suit.

Another Taiwan opposition leader, Mr Lay Yu-chi, is understood to be planning a trip to China early next year.

Mr Lay, a former Kuomintang legislator who was later imprisoned on slander charges, is now a magazine publisher.

He told reporters earlier that he would tour the Mainland giving public lectures on Taiwan's experiences in the past three decades.

Mr Lay's plan, if realised, will also be the first of its kind. Taipei, reportedly, has approved the trip and it remains to be seen if China would allow Mr Lay to make the tour.

Meanwhile, Mr Huang Tien-fu plans to spend about a week in the Mainland and return to Taiwan via Hong Kong.

Although Mr Huang Tien-fu was emphatic the trip was purely to meet his brother, the *Standard* has learnt he would meet former Taiwan opposition activist, Mr Chang Chun-nan, in Beijing.

Sources in Taipei told the *Standard* that Mr Chang had contacted Mr Huang Tien-fu earlier and suggested the Beijing meeting.

Mr Chang returned to China in 1986 and has since been appointed deputy to China's top-level body, the Chinese People's Political Consultative Conference.

Mr Chang was a member of Taiwan's National Assembly from 1972 until 1977 when he resigned from office and became active in the opposition movement. In 1979, he fled to the United States.

My Huang Tien-fu will stay with his brother in Hangzhou for a few days before leaving for Beijing to meet Mr Chang. Sources said Mr Huang Tien-fu would visit Guilin, a popular tourist resort, if time permitted.

Mr Huang Tien-fu was also a magazine editor and had served eight months in jail on a slander charge before he was released in February this year.

His magazine, the *Neo-Formosa* weekly, was a political journal. It ceased publication in July 1985 after the slander charges were first filed.

However, an informed source said Mr Huang Tien-fu planned to publish the periodical again.

Mr Huang Tien-fu, who arrived in Hong Kong on Thursday, spent the last three days in obtaining the necessary visa to enter the Mainland.

13,363 Applications To Visit Mainland China
OW300835 Taipei CNA in English 1330 GMT
25 Nov 87

[Text] Taipei, Nov. 25 (CNA)—As of Tuesday, the Bureau of Entry and Exit had processed 13,363 applications for visiting the Chinese mainland, according to a bureau spokesman. The first applications were filed Nov. 2, when the Republic of China Government lifted the long-standing travel ban.

It is estimated that the bureau will have processed more than 15,000 applications by the end of this month, the spokesman said.

The bureau has tallied the number of applications every day since the opening of mainland travel. The number of applicants reached a high of 1334 on the first day, then decreased gradually. The bureau has received an average 500 applications a day in recent weeks.

Interior Ministry officials attributed the decline in part to prospective visitors' financial problems. At first, many would-be visitors mistakenly thought that the government would arrange and finance their mainland trips if only they registered with the Red Cross Society of China. Some of them reportedly abandoned their travel plans after they learned they must pay for the trip themselves.

Opposition Legislators Cleared of Charges

OW300604 Taipei CHINA POST in English 24 Nov 87
p 11

[Text] The ruling party will shelve charges of disorderly conduct against four opposition legislators under review by the legislature's committee on discipline, well-placed Kuomintang [KMT] sources said yesterday.

The KMT will ask the committee to postpone dealing with the charges against Chu Kao-cheng, You Ching, Chiu Lien-hui, and Wang Yi-hsiung of the Democratic Progressive Party [DPP], the sources said.

The committee had previously been asked to propose disciplinary measures against the four for jumping on top of the legislature speaker's table on Oct. 28 and staging a sit-down protest against the passage by mandate of a controversial bill governing demonstrations.

The committee had also been asked to discipline Legislator Chu for ordering about 400 anti-pollution protesters to ring the legislature building on Oct. 20, stranding senior legislators inside the building for two hours.

The sources said the KMT hopes the move will placate the opposition party and pave the way for smooth fence-mending talks between the two parties.

In a surprise move last week, the KMT gave de facto recognition to the DPP in a bid to appease legislators of the opposition party, who have stalled review of bills and repeatedly confronted KMT colleagues during legislative sessions in past months.

The DPP is still technically illegal. It was formed in September last year in defiance of a ban on new political parties.

Radio Commentary on Taiwan Relations Act
OW290045 Taipei International Service in English
0200 GMT 27 Nov 87

[Station commentary: "Strengthening Taiwan Relations Act"]

[Text] According to a recently published report, the Taiwan Relations Act could use a shot in the arm, lest it be relegated to a minor role in U.S.-ROC [Republic of China] relations.

The scholarly report, issued by the conservative Heritage Foundation in Washington, a think-tank with solid White House connections and a reputation for hard-hitting policy papers, recommends that the United States place more emphasis on the Taiwan Relations Act than on any communique signed with Communist China.

According to Heritage, the Taiwan Relations Act should be the paramount guiding force in U.S.-ROC relations because it is a domestic U.S. law, whereas communiques signed with Communist China are mere, quote unquote, government statements on policy intentions.

The Heritage Foundation raises this issue in its latest report because there is an increasing feeling among ROC friends in the United States that the communiques signed with Communist China are being allowed to take precedence over the Taiwan Relations act, or TRA for short. Most of the concern is directed at the August 17, 1982 Communique in which the U.S. agreed to reduce the quality and quantity of arms sold to Taiwan over time.

Opponents of that communique say it violates the provisions of TRA, which says that United States is obligated to look after the defense needs of Taiwan. Heritage says, quote, in case it is necessary for the U.S. to sell sophisticated arms to maintain the national security of the ROC, the U.S. has the obligation to supply such arms, unquote.

The Heritage report also says Congress can prevent the President from unilaterally terminating defensive arm supplies to the ROC. The Taiwan Relations Act came about as a result of the U.S. breaking formal diplomatic relations with the ROC in 1979. At first, then-President Jimmy Carter had made no plans for maintaining a framework for unofficial relations with the ROC. That gross oversight on Carter's part was cured when Congress stepped in to provide laws to govern the U.S. relationship with the ROC on Taiwan. The TRA received overwhelming support in Congress and Carter knew a presidential veto would be overturned. In 1982 the U.S. came under heavy pressure from Communist China to terminate arms sales to the ROC on Taiwan. After a rough year of negotiations, the U.S. and Communist China signed the August 17 communique. In it, the U.S. made the major concession on arm sales mentioned earlier.

On paper, the August 17 communique conflicts with the TRA, despite White House protestations that the communique does not represent a reduction in the U.S. commitment to defend Taiwan.

But the communique has been a sticky issue for the ROC. Since 1982 the U.S. has kept a ceiling, at 1982 levels, on both the quality and quantity of arms sold to the ROC. This has caused a great concern in Taiwan that U.S. arms supplies, and worse yet, the U.S. commitments to help defend the island, are drying up thanks to the August 17 Communique. The Heritage Foundation report outlines the need to strengthen the Taiwan Relations Act. It is an important exercise to remind the White House and other government departments and agencies that the TRA is superior to any communique, and must be followed accordingly.

Paper On Reducing Trade Deficits With U.S.
OW291431 Taipei CHINA POST in English 25 Nov 87
p 4

[Editorial: "ROC-U.S. Economic Council"]

[Text] The ROC [Republic of China]-U.S. Economic Council at New Orleans should pave the way toward reaching an understanding between the ROC and U.S. officials and business leaders as to the most effective way of reducing ROC's trade surplus with the U.S. and the future of the NT dollar.

President Ronald Reagan's concern over the huge U.S. trade deficit is shared by all parties concerned. The ROC has been trying its best to reduce the deficit by not only sending 13 buy-American missions to the U.S. but also opening its market to U.S. goods and services as fast as it can.

Both Minister of Economic Affairs T.H. Li and Minister of Finance Robert Chien are at the meeting to convey their views to the delegates and explain our difficulties. But there is a limit to what the ROC Government can do right away without corresponding actions on the part of the U.S. to promote sales of its products or services.

It must be admitted that the ROC has already done a great deal in opening its market to foreign goods and services. But the U.S. still wishes for more. Some U.S. officials and congressional leaders even suggested that the ROC should help the U.S. pay the interest of its foreign debts.

As the ROC trade surplus with the U.S. grows each month and even as the NT dollar revalues day after day, both sides should work out a solution to the dilemma at the joint meeting.

But ROC's sincerity and determination to solve the problem should be widely recognized and appreciated. Its recent moves in political and economic reforms have even been acknowledged and lauded by President Reagan in his message to the meeting saying that "these developments deserve the applause of free people everywhere."

Participants at the meeting should strive even harder than ever to seek a reasonable and practical solution to the thorny problems facing both nations. They must not leave everything to any single nation alone without counterpart action by the other side.

We hope that the meeting will conclude on a successful note with satisfactory solutions to the problems now confronting both nations.

KMT Celebrates 93d Founding Anniversary
OW300843 Taipei CNA in English 0242 GMT
25 Nov 87

[Text] Taipei, Nov. 25 (CNA)—Members of the Kuomintang [KMT] Tuesday celebrated the 93rd anniversary of the foundation of the ruling party in the Republic of China [ROC] in rallies nationwide.

KMT Taipei City Committee Chairman Chen Chin-Jang led a meeting marking the occasion in which Taipei Mayor Hsu Shui-teh, City Council Speaker Clement C.P. Chang and some 1,000 party members participated.

Addressing the rally on his flight to freedom last Thursday, freedom-seeker Liu Chih-yuan said he rejected communism and endorsed the Three Principles of the People to join the compatriots in the ROC in striving for national revival.

In Taichung, Taiwan Provincial Governor, Chiu Chuang-Huan and Provincial Assembly Speaker Kao Yu-jen attended a rally presided over by KMT Taiwan Provincial Committee Chairman Liu Chao-tien.

Chiu urged party members to help the government promote comprehensive reforms and to improve the well-being of the people.

In Kaohsiung, more than 400 people attended a cocktail party hosted by Huang Shun-teh, KMT Kaohsiung city committee chairman, to mark the occasion.

In addition, other rallies were held throughout the island and on the frontline islands of Quemoy and Matsu.

Hong Kong

Governor Departs for 6-Day PRC Visit
*OW302336 Beijing XINHUA in English 1628 GMT
30 Nov 87*

[Text] Hong Kong, November 30 (XINHUA)—Hong Kong Governor David Wilson left here today for a six-day visit to Guangzhou, Shanghai and Beijing.

Before his departure by train, Wilson told reporters that a purpose of his visit is to open the Hong Kong Trade Development Council (HKTDC) office in Shanghai—the second one in the Chinese mainland. The first HKTDC office was set up in Beijing last December.

Trade between Hong Kong and the Chinese mainland has gone up by 12 times in the last eight years and by 50 percent in the first three quarters of this year. The mainland is the largest trading partner of Hong Kong, he said.

On his first visit to the capital of Guangdong Province since becoming governor, he said that Guangdong played a major part in the increased economic relationship between Hong Kong and the Chinese mainland.

Wilson will talk with senior Chinese officials in charge of Hong Kong affairs about the political review and recent disturbances on the stock market as well as other developments in Hong Kong.

Welcomed by Guangdong's Ye Xuanping
*OW010002 Beijing XINHUA in English 1642 GMT
30 Nov 87*

[Text] Guangzhou, November 30 (XINHUA)—Sir David Wilson, governor of Hong Kong, his wife and their party arrived here this afternoon on a visit at the invitation of Ye Xuanping, governor of Guangdong Province.

Ye met Wilson and his party here this afternoon.

During the meeting, the two sides expressed satisfaction over the recent years' friendly cooperation between Guangdong and Hong Kong as well the willingness to continue the cooperation to promote the prosperity and stability of Hong Kong and the economic development of Guangdong.

This evening, Ye gave a banquet in honor of Wilson and his party.

In his toast, Ye thanked Wilson for his contribution to the development of the friendly cooperative relations between Britain and China and between Guangdong and Hong Kong.

Ye said that it is necessary to strengthen the cooperation in economic and other fields between Guangdong and Hong Kong in the future.

Wilson said, it is of first importance to get acquainted with each other's planning situation in a bid to strengthen the economic cooperation between Guangdong and Hong Kong so as to make the cooperation attain greater economic benefit.

Economic Cooperation Urged
*HK010811 Hong Kong SOUTH CHINA MORNING
POST in English 1 Dec 87 p 3*

[From Chris Yeung in Guangzhou]

[Text] The Hong Kong Governor, Sir David Wilson and his Guangdong counterpart, Mr Ye Xuanping, have called for more dialogue and co-operation on economic development plans.

Mr Ye said there had been an enormous improvement in economic ties over the past few years and he was confident these could be strengthened even further.

Sir David was in Guangzhou on the first day of a six-day visit to China which will take him to Shanghai to open a Trade Development Council office and Beijing for another round of talks with Chinese officials on the territory's political review.

Before his departure at Hung Hom yesterday morning Sir David said he would brief Chinese officials on the latest developments in the territory including the countervailing Survey Office report and the stock market crisis.

He is expected to tell officials, including State Councillor Mr Ji Pengfei, Vice-Foreign Minister Mr Zhou Nan and Mr Ji's deputies, Mr Li Hou and Mr Lu Ping, that a clear majority favoured the introduction of direct elections before 1997.

He would also underline the divisions of thought on direct polls next year.

The exchange of views on the political review are seen as vital if conflicts between the Basic Law and the White Paper now under discussion in the Executive Council—due to be released in February—are to be avoided.

The Beijing trip is a follow-up to the first official visit of Sir David to China in September since he took office early this year.

Yesterday's visit to Guangdong was also the first of Sir David since 1981.

Mr Ye said in his welcome speech at a dinner: "The fact that Sir David visited here soon after he took office showed that he attached great importance to our relations."

Mr Ye said he had told the Governor of the province's aspirations to further open up the area following a mandate from the State Council after the Communist Party's 13th National Congress in September.

Sir David said earlier that Guangdong accounted for 70 percent of China's exports and Hong Kong businessmen were responsible for up to two-thirds of the foreign investment in Guangdong, employing at least one million people.

He also said the Pearl River delta would be an area of rapid economic development in the years to come and stressed that a closer economic relationship was important.

Speaking at Hung Hom station before his departure yesterday, Sir David warned his trip was not an occasion for taking decisions—rather it was one for informing Chinese officials of recent events in the territory.

Sir David said the main purpose of his trip was to open the new Trade Development Council office in Shanghai.

"The opening symbolises the great development of economic relations between China and Hong Kong," Sir David said.

The Governor was accompanied by Lady Wilson, political adviser Mr Richard Clift and his personal secretary, Mr Richard Hoare.

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